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1 December 1982

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BRIEFS

OIL PRODUCTION FIGURES--It has been reported that Brazilian oil production surpassed 280,000 barrels per day in October. This rate is 15,000 barrels higher than the September rate. [Sao Paulo FOLHA DE SAO PAULO in Portuguese 5 Nov 82 p 18 PY]

OIL IMPORT-EXPORT FIGURES--The Mines and Energy Ministry has reported that during the first 9 months of 1982, the importation of crude oil and byproducts for internal consumption fell 8.5 percent with respect to the same period in 1981. In turn, during the same period of 1982 Brazilian crude oil and by product exports grew 20.5 percent with respect to the same period in 1981. It was also reported that between January and September of 1982 Brazil imported 207,570,000 barrels of crude oil and byproducts for internal consumption worth \$6,664,870,000. [Sao Paulo O ESTADO DE SAO PAULO 9 Nov 82 p 39 PY]

CSO: 3342/34

BRIEFS

INDIGENOUS OIL DRILLING--Guyana's quest for oil will be taken a step further next year when an oil-well is drilled in the Corentyne area to test for heavy oil. According to an official of the Ministry of Energy and Mines, the petroleum unit of the Ministry will be responsible for co-ordinating the project, which will be financed by the World Bank. It is the first time that the Guyana Government will conduct its own drilling operations. The Corentyne well is one of several being sunk in the country. Already Denison Mines of Canada is conducting explorations off Guyana's coastlands, and earlier this year Home Oil scaled down its operations in the Rupununi following an encouraging oil find. [Georgetown GUYANA CHRONICLE in English 29 Oct 82 p 1]

CSO: 3298/084

ELECTRICITY COMMISSION CONTRADICTS ITSELF ON LOAD-SHEDDING

'Indefinite' Measure

Port-of-Spain TRINIDAD GUARDIAN in English 14 Oct 82 p 1

[Text]

THE TRINIDAD and Tobago Electricity Commission is to carry out load shedding indefinitely, it was announced yesterday.

The decision to spread the power followed on the heels of two incidents — one in the north and the other in the south — which tripped distribution throughout Trinidad on Tuesday evening.

The first, fire in the Harmony Hall sub-station, Gasparillo, scorched a breaker and tripped four others plunging southern districts into darkness.

That breakdown started at 5.22 p.m. on Tuesday and within an hour parts of North Trinidad were without power.

The outage spread from Matelot and Manzanilla to Diego Martin and Chaguanas by 8.15 p.m. when a fault in a 66KV transmission line from Point Lisas to Bamboo tripped other overloaded lines.

Up to late last night large areas in North Trinidad were without lights as the TTEC implemented its load-shedding operations until the faults could be repaired.

TTEC was unable to determine the precise cause of the tripping of the system on the 66KV transmission line, but said every effort was being made to restore power.

TTEC is treating the tripping of the 66KV line as a mysterious incident since the fault could not be traced to anyone tampering with the distribution.

Reports from the South indicated widespread load shedding.

Several business places suffered from the power cuts yesterday as air-conditioning units and cash registers became useless.

Groceries without standby

generators also were seriously affected, especially the cold storage areas.

A brisk trade in candles and other alternate supplies of light was observed.

According to TTEC's Public Relations Assistant Stephen Martell, the fault in the 66KV transmission on Tuesday evening caused overloading on another transmission line.

AN EXPLOSION

That line tripped from the overload at about 8.15 p.m., throwing areas from Matelot to Diego Martin into darkness.

Power was eventually restored to some areas during the night as one line was returned into service.

At 11.40 a.m. yesterday, most of the affected areas were back on supply but could feel later effects of loadshedding, said Mr. Martell.

The fire at Harmony Hall started after an explosion in a transformer, it was reported.

The transformer caught fire but the blaze was extinguished by fire-fighting appliances from the San Fernando Fire Station.

No casualties were reported.

Statement: No More Load-Shedding

Port-of-Spain TRINIDAD GUARDIAN in English 15 Oct 82 p 1

[Text]

THERE will no longer be any periods of load shedding as experienced over the past two years, the Trinidad and Tobago Electricity Commission (TTEC) said yesterday.

But even as the statement was released, consumers in the north-eastern part of Trinidad were telephoning the "Guardian" with complaints about power outages.

Sandra Mohammed, of Five Rivers, said her district was without electricity supply since 5.30 p.m. on Tuesday and up to yesterday afternoon it had not returned.

Mrs. Mohammed said she had been experiencing these outages for a fortnight but this week it got worse.

"I am really tired of this situation. The last time the electricity went for a long period my husband and I suffered from food poisoning after eating fish that was in the deep freeze. And I have the medical bills to prove it," she added.

Primary and secondary schools in the Port-of-Spain area had to be closed because there was no water caused by power failures.

At the University of the West Indies, St. Augustine classes were also disrupted on Monday and Tuesday nights as there was no electricity.

Reports from Arouca said there was no power supply

from 11 p.m. on Tuesday to 6 a.m. yesterday; in Tacarigua from 6 to 10 p.m. on Tuesday; in San Juan from 6 a.m. to 2 p.m. yesterday and Barataria, Curepe and San Juan received no water supply.

Around the Queen's Park Savannah was also reported to be without lights from 6 to 9 p.m. on Tuesday.

Cannings Foods Ltd. Arima, said the chicken processing plant was using a standby generator for the past two days while the hatchery unit had to use this alternative supply for many hours. Up until press time the generator was still being used.

The TTEC said the load-shedding over the past two days was caused by faults in the transmission system. These faults "have been corrected to the point where no further load shedding is necessary, the release added."

CSO: 3298/085

TWO NEW METHANOL TANKERS; ROLE OF NATURAL GAS NOTED

Port-of-Spain TRINIDAD GUARDIAN in English 9 Oct 82 p 1

[Text]

THE SHIPPING Corporation of Trinidad and Tobago (SCOTT) is to get two methanol tankers by March 1984 when this country's methanol plant will be on stream. The tankers are to be built by Sasebo Heavy Industries Company Ltd of Tokyo, Japan and the first is to be delivered by the end of next year and the second by March 1984.

SCOTT signed an agreement with Sasebo at the Hilton yesterday. The tankers will cost \$38 million each and 80 per cent of the cost will be funded by the Japanese Exim Bank. The Trinidad and Tobago Government is to put \$15.2 million.

Negotiations between SCOTT and Sasebo started last July and it was agreed that the National Energy Corporation (NEC) be appointed SCOTT's agent for the purpose of supervising the design, engineering and construction of the tankers.

Signing on behalf of SCOTT was Deputy Chairman Hugh L. Howard and for Sasebo, Mr. K. Kawasaki, Senior Executive Director and General Manager of Sasebo shipyard.

Two representatives for Nissho Iwai, brokers for Sasebo were at the signing.

DREAM COME TRUE

Mr. Andrew Rose, Chairman of Trintoc and a member of the NEC Board, in a prelude to the signing of the agreement, said it was

another development and a dream come true for the late Prime Minister Dr. Eric Williams.

SCOTT and the NEC would be able to utilise the natural resources, natural gas and to develop the petro chemical industry, he said.

Mr. Rose said shipping was an integral part in the manufacture and marketing of methanol and Government saw it fit to bring SCOTT into the project.

SCOTT, he said, would now be responsible for shipping in the State Enterprises.

SCOTT has an LPG tanker on time charter for National Petroleum.

Mr. Kawasaki said his company would be building two fine tankers for SCOTT and wished the corporation best of luck.

The major features of the tankers.

Length about 140.2 metres, breadth — 21.5 m, design draught — 8.5 m, deadweight — 13,400 metric tonnes, speed — 13.25 knots, crew — 10 officers, 4 cadets and 17 sailors.

The vessels are to be registered with Lloyds and

the engineering consultants will be Marine Service GmbH.

\$380 M PLANT

The specialised methanol carriers are being acquired by SCOTT for transporting methanol for the NEC to its customers in Japan, Europe and United States.

The Trinidad and Tobago Government is building a \$380 million methanol plant in Point Lisas and it is expected that it will come on stream by early 1984.

The plant, designed by Toyo of Japan, will have an annual capacity of 400,000 metric tonnes. According to NEC, 60 per cent of the products have already been sold on long-term contract.

Methanol (synthetic) is made by directly combining carbon monoxide gas and hydrogen at high temperatures. The source of natural gas which is in abundance in Trinidad is used as the stock feed in producing methanol which is used as resin, dye, drugs, perfumes and other compounds.

COLOMBIAN ENVOY ON THREAT TO PANAMANIAN PRISONERS

PA101710 Panama City LA PRENSA in Spanish 10 Nov 82 p 1

[By Vladimir Sandoval]

[Text] Brig Gen Luis E. Ordonez Castillo, Colombian ambassador to Panama, said that "It is known that there are extreme leftists who want to eliminate the Panamanians held prisoner in our country."

He added that "They don't want the five Panamanians to be released, so that they can be murdered and the Colombian Government blamed so that strained relations will be created between the two countries."

Ordonez Castillo added that international communism--not the rightist groups (liberals and conservatives), who seek peace and tranquillity among the peoples of Latin America--want to eliminate the Panamanian prisoners in Colombia.

The Colombian ambassador said that to prevent the Panamanians from being eliminated by groups of the extreme left, they have been sent to different jails.

He added that no attempts against the Panamanian prisoners in Colombia have yet been made--not by death to kidnappers (Mas) or any other political group opposing the ideas proselytized by the 19 April Movement (M-19), but that the communists, have shown signs of interests.

He said that recently, leftist information organizations circulated a letter presumed to have been signed by the Panamanians in which they rejected the amnesty law presented by the Colombia Government. This letter was confirmed by Eduardo Omana Mendoza, who is acting as defense attorney for the Panamanian prisoners, but this is not true.

"Omana Mendoza is sinking them so that they will remain down and uses them so that they will appear as martyrs, and those poor men are the ones that pay for this. How can we explain the fact that the magazine DIALOGO SOCIAL published this letter, which was not signed by the Panamanian prisoners, but by the leaders of the M-19 held prisoner at La Picota, who are not protected by the general amnesty decree as defined by the Colombian security forces. [quote-marks as published]

Ambassador Ordonez Castillo said that it is absurd to say that the Panamanians are being mistreated and find themselves in disastrous conditions in Colombian jails, and added that even the Panamanian ambassador to Colombia was a witness to the way these men are treated and the privileges they have been granted because of their good manners and behavior.

He said that it is not true the Panamanians are facing precarious conditions, a Somana Mendoza--a communist--stated, since there are reports to the contrary from the International Human Rights Commission.

"I like those Panamanians, and I hope they will be released, because those boys were fooled; they were made to believe many things that turned out to be false. Their defense attorney, Omana Mendoza, is sinking them because he associates them with the M-19. There is no reason they should be part of that group, but should be considered a Panamanian internationalist group."

We hope congress will approve the amnesty law during its last session tomorrow, and we have faith that the first ones to benefit from this will be the Panamanians because of their good conduct. The M-19 is sabotaging the law so that no concessions will be made and the Panamanians will be affected and not released.

CSO: 3248/248

CARN REJECTS THREATS AGAINST NICARAGUA

Managua EL NUEVO DIARIO in Spanish 7 Oct 82 pp 1,10

[Text] The Latin American Economic System's Nicaraguan National Reconstruction Action Committee (CARN-SELA) rejected any kind of external threat posed against our country and reiterated the people of Nicaragua's indisputable right to self-determination and sovereignty, while at the same time stating that Nicaragua's hopes for peace and solidarity are the same as those of the member nations of CARN-SELA, in the final declaration of the organization's first special conference which came to a close yesterday in the Ministry of Foreign Affairs auditorium where Commander of the Revolution Henry Ruiz confirmed Nicaragua's desire for peace.

The final declaration was read by Ecuadorean Ambassador Rosendo Mariduena German in the presence of Commander of the Revolution Henry Ruiz, the minister of planning and a member of the FSLN National Administration, Dr Edmundo Jarquin, the coordinator of CARN-SELA, Dr Victor Hugo Tinoco, the lawful minister of foreign affairs, Argentine Ambassador Marcelino Chuburu Lastra and representatives from Mexico, Costa Rica, Panama, Cuba, Uruguay, the Dominican Republic and the international financial organizations: IDB, SIECA [Secretariat of Central American Economic Integration] and BCIE [Central American Bank of Economic Integration], who chaired the conference.

The full text of the declaration reads as follows:

In the face of the critical situation the countries of the world are going through at the present time, this CARN-SELA Conference encourages them:

- a) To increase their efforts to ward off the economic crisis that to a very great extent affects the Third World countries, thus favoring their development, and condemn the incredible arms budgets which should be replaced, turning them into powerful initiatives aimed at peace and the economic development of nations.
- b) In the face of the real situation the peoples of Latin America are going through, following the Malvinas War during which the solidarity of some areas with the colonial practices [employed], on the one hand, and, on the other, the ineffective actual implementation of the North-South dialogue, with reference to the "new world economic order," thwarted confidence in the international

community, thus turning the situation into a vigorous Latin American sentiment, to make themselves strong by recognizing their own substance in the countries of the area, to proclaim their unwavering determination to wipe out any trace of colonialism that unfortunately still survives in our hemisphere.

c) To consequently deem it to be urgently necessary to strengthen the UN resolution on the handling of the colonialist problem and especially the case of the Malvinas, the Republic of Argentina's just demand for sovereignty.

d) To address a warm salute to our brother nation of Bolivia on the advent of democracy there, urging that country to see to it that its representatives share CARN-SELA's concerns for the reconstruction of Nicaragua.

e) To reiterate the people of Nicaragua's right to self-determination and sovereignty as being indisputable and the fact that Nicaragua's hopes for peace and solidarity are the same as those of the member nations of CARN-SELA, which is why they express their rejection of any kind of external threat posed against that country.

Ecuadorean Ambassador Rosendo Mariduena said that this declaration had the solidary Latin American support of 15 countries of the continent, including Mexico, Central America, the Caribbean countries, Panama and most of South America (with the exception of Guyana) that belong to SELA.

Nicaragua Reaffirms Appeal for Peace

As for Minister of Planning and Commander of the Revolution Henry Ruiz, at the close of the first special CARN-SELA conference, he reaffirmed the National Reconstruction Government and the people of Nicaragua's desire for peace. Speaking out against war, Commander Ruiz said: "War is not the answer to the capitalist crisis and the arms race is a crime in the face of the current situation. Peace is our only way out; we cannot play with the fate of mankind because disentanglement from the crisis by means of thermonuclear war is also a confirmation of the Apocalypse.

"We are for peace, for the reconstruction of our country, for defending and developing productive labor. We want to make our determination explicit, that just as we are ready to defend our sovereignty, so do we demand respect for that sovereignty. Just as we fought a destructive dictatorship, we salute any policy that may promote the advancement of democracy. We want to bear witness to the fact that we want peace. That we give no one reason for suspicion and that our actions and desires are in accordance with our sovereignty and that, just as we defend ours, we respect that of other countries.

"We are interested in our peoples and we cannot represent these peoples with a war. This will be our proclamation, our great banner."

Recalls SELA Resolution in Caracas

At the beginning of his speech, Commander Ruiz recalled Resolutions 111 and 112 of the August SELA conference in Caracas. Venezuela, where the right of the

peoples of Latin America to choose their own political and social course was recognized and where they outlawed the application of economic pressures and coercive isolation by non-SELA countries against any of its member nations, in violation of international law.

Ruiz said that recent events have reminded us that aggression, the law of the jungle, seems to have returned when incidents like the Malvinas occur and before that Cuba and now the possibility exists that Nicaragua figures among these plans for aggression. Reminding us that the old colonial or neocolonial mentality has not ceased to exist despite the fact that it appears to be outlawed by international organizations and conferences.

He recalled that up until the Malvinas War international treaties like the TIAR [Inter-American Reciprocal Assistance Treaty] were invoked to threaten our homeland, which we want to be all of Latin America. But this treaty of a foreign power had neither life nor appeal when Argentina was insulted, which was also an insult to all of Latin America for those who love peace and dignity and defend national sovereignty. Ruiz said that this rapacious mentality is the expression that today unites the determination of Latin America.

He also spoke of Great Britain's intentions of pressuring the European Economic Community to cut off the flow of funds to our country while CARN-SELA is making efforts to help rebuild our country. He said that it was a question of abolishing these coercive economic weapons in international forums, but the Sandinist leader said that they were still being used.

Before, they took away our wheat and today they are pressuring us on all sides of the continent and even so far as to take all the resources we have to survive away from us. Ruiz said that we cannot go on tolerating this sort of blackmail.

They Want to Justify War

Then he spoke of the contradictions that have arisen inside the capitalist system, which they want to pass on to us. Commander Ruiz said that this is a crisis the real objective of which is to find out how they can generate more earnings, more profits. Ruiz was of the opinion that they solved the crises of the 1930's by destroying part of mankind in a war, but today the solution cannot be a war.

On the other hand, he argued that the large amounts of raw materials that generate wealth are not accumulated to improve man's health, that it continues to be a disgrace for medical technology that diseases like cancer, tuberculosis and malaria still exist.

Once again, Commander Ruiz reminded CARN-SELA members that the disastrous dictatorship left the revolutionary government with a burden of \$4 billion. This includes \$520 million in material damages due to the war, \$518 million due to capital depletion and theft, a foreign debt of \$1.65 billion, \$1.25 billion in profits lost due to economic inactivity and \$249 million to service the debt in 1978-1979, in addition to all the natural disasters that have caused our country losses in the millions.

He said that they left us this legacy in the midst of a very complex situation. Our economy is perhaps the most open one in the area and that is why we defend our economic order. Because the capitalist crisis flees to our countries, which are the hardest hit.

Drop in the GDP in Central America

As concerns the tendency for the GDP to drop in Central America, he said that in 1981 Guatemala showed a growth rate of scarcely 1 percent (according to ECLA), El Salvador -8 percent, Honduras 0.5 percent, Nicaragua 8 percent and Costa Rica -1.5 percent. He said that our country's 8-percent growth rate does not mean much technically speaking, but socially it does because it comes under the heading of the new SELA and UN indicators for the redistribution of income.

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CSO: 3248/177

FLEMACON MEETING ON SOLIDARITY WITH NICARAGUA

Meeting in Managua

Managua BARRICADA in Spanish 3 Oct 82 p 1

[Text] Central American construction workers' first meeting for solidarity with Nicaragua began yesterday in this capital with the participation of representatives of the construction workers of the area and special guests.

Organized by the Latin American Federation for Construction, Wood and Construction Materials (FLEMACON), the event comes to a close today and the main topics to be discussed by the participants are: the importance of worker movement unity and solidarity, the struggle for disarmament and world peace and trade union education.

In delivering the inaugural address, FLEMACON secretary general Ismael Delgado said that they hoped that the holding of the meeting might be a contribution to the process of worker unity and that a single labor federation would be constituted in Nicaragua so that they could more successfully deal with the enemy of peace and social progress.

When presenting greetings from the Nicaraguan Socialist Party (PSN) during the inaugural session in the Ministry of Foreign Affairs auditorium, Compañero Luis Sanchez Sancho, the secretary general of the organization, said that worker movement unity is essential to defeat their enemies, no matter how powerful they may be. He said that it is inconceivable that conflicts and rivalry between factions should exist, that they had rather to strengthen unity.

Report on Meeting

Managua BARRICADA in Spanish 3 Oct 82 p 5

[Text] "In Cuba and in the Sandinist People's Revolution we see the future of the continent and that gives us strength for our struggles to achieve a society without exploiters or exploited," FLEMACON secretary general Ismael Delgado asserted.

Speaking before delegations from Cuba, Panama, Costa Rica, Colombia and Nicaragua, Compañero Delgado noted that the class-conscious solidarity meeting was being held because "we are convinced of the development of the class struggle on a worldwide basis."

"The agenda to be taken up," he said, "has to do with solidarity with the Nicaraguan people and government, with the FSLN [Sandinist National Liberation Front], because we believe that we can contribute not only to the struggle against Reagan's intervention and warlike policy, but also to unity and union education."

"We are convinced that, to consolidate and defend the revolution, worker movement unity is absolutely necessary," the labor leader added. Cuba's example of having a single labor federation was a prominent element in his statement since he said that in most countries there are many federations, which is the work of capitalism and imperialism to divert the objective of the workers' struggle.

He confirmed FLEMACON's solidarity and its concern for labor union unity and for rejecting anything that might sow disunity among us to in this way along with Sandino's people also say: /They shall not pass/. [in caps]

Greetings From PSN

Compañero Luis Sanchez Sancho spoke on behalf of the PSN. After summarizing the fighting tradition of the construction workers in our country, he said that the holding of this event was cause for pride and joy, above all because the agenda was linked with the tasks the workers, the people, the government and the leaders of the Nicaraguan revolution are involved in.

Referring to the importance of worker movement unity, he pointed out that we cannot speak of it from an abstract viewpoint; rather it is the means for achieving class objectives and defeating our enemies, no matter how powerful they may be.

"It is inconceivable that conflicts and rivalry between factions should exist," the PSN secretary general said. And he noted that it is a matter of strengthening unity and positively resolving differences.

Commenting on the topic of the arms race and the struggle for peace, Sanchez said that the Reagan government's unbridled arms race is designed to save imperialism from its unquestionable defeat.

He emphasized the revolutionary government's efforts in search of peace and added that it will be achieved if the imperialists stop intervening in Central America and if the right to self-determination is respected, specifically stating that this is the goal of the FSLN, the PSN and the Nicaraguan working class.

He acknowledged that the struggle to defend peace and territorial integrity is tied to the exemplary solidarity of the Cuban people, their construction workers and the support of the socialist countries' international organizations.

Another feature of the inaugural session was the address delivered by ILO regional representative Giuseppe Querenghi. He described the union meeting as most important because it was being held in the midst of a serious economic situation in the area.

After presenting ILO greetings, he said that, according to statistical data on Latin America, 30 percent of the economically active population are unemployed and that the union movement is facing a challenge in the face of this hardly encouraging situation.

Other figures that corroborate the situation are the fact that in Latin America 44 percent of the income is concentrated among 10 percent of the families while, on the other hand, 40 percent of the families receive only 8 percent of it, and he underlined the fact that the nature of construction work and the strength of the construction unions can make a very big contribution.

Delegations from Cuba, Panama, Colombia and Costa Rica as well as 70 Nicaraguan delegates participated in the meeting. The inaugural session was chaired by Minister of Construction Moises Hassan, Vice Minister of Housing Roberto Lacayo, Minister of the JRM [Managua Reconstruction Board] Samuel Santos, Vice Minister of Construction Filiberto Nunez, FLEMACON directors: president Alejandro Solorzano, secretary general Ismael Delgado and first vice president and member of the Cuban Communist Party Central Committee Pedro Fernandez, Luis Sanchez of the PSN, Adolfo Evertz of the Revolutionary Patriotic Front (FPR) and Francisco Gonzalez of the Sandinist Workers Federation (CST).

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PRESIDENTIAL HOPEFUL ALFONSIN ON FUTURE POLITICAL MODEL

Buenos Aires SOMOS in Spanish 29 Oct 82 pp 14-17

[Interview with Raul Alfonsin by Rolando Hanglin; date and place not specified]

[Excerpts] [Alfonsin] Tell me. Why do you use a tape recorder now for interviews? Is it a question of accuracy or just laziness?

[Reporter] Neither, doctor. If I have to write down everything you say, I can't think about my next question. The conversation goes slower, and in the end you get a boring interview, and a boring interview is good for neither you or me, doctor.

[Alfonsin] Of course.

[Question] Let's talk about the last time you were in Europe.

[Answer] Germany, last year. The government invited me to a symposium on democracy in Hapsburg. I visited Bonn, Berlin, Dusseldorf and Cologne. I know the country quite well but I was especially interested in talking with the Dusseldorf labor union people. They were feeling the effects of the world oil crisis. I asked them whether their real wages had dropped. They said they had. I asked them what they were doing about it. You know what they replied?

[Reporter] No, but I'm interested.

[Alfonsin] That they were traveling all over Germany to convince their fellow union members not to ask for wage hikes, because this could boost the costs of German industry and diminish its competitiveness on foreign markets, which would ultimately cause unemployment.

[Reporter] Astonishing.

[Alfonsin] Not that astonishing. Actually, nowhere in the world do unions oppose production increases. Of course we have to remember that the real wages of the German workers had dropped just one point. They are civilized.

[Question] Do you consider them a model?

[Answer] Well, they have emerged from an awful situation by consistently reaffirming democracy. Periodically there are authoritarian outbreaks that are restrained by the maturity of a people who have learned harsh lessons.

[Question] Do you know what happened to a friend of mine in Frankfurt?

[Answer] No, tell me.

[Reporter] He was walking along the sidewalk, but in a special lane for bicycles, not in the pedestrians section. He caught sight of a German fellow on a bicycle in the distance coming towards him. My friend kept on walking. The German fellow ran right into him; they both got knocked down, and neither understood what had happened.

[Alfonsin] Your friend didn't realize that it was a bicycle lane, and the German had never seen a person walking in the wrong place before. So he didn't know what to do and ran into him. No one goes where they're not supposed to over there. They're very disciplined. But the Swiss are even more so...

[Question] We could use a little bit of German blood, couldn't we?

[Answer] Yes, we could use a little bit. We pay a lot of attention to our demands for freedom but not that much attention to the discipline that freedom entails.

[Reporter] Although it's only fair to acknowledge that our people have been asked to do much and given little.

[Alfonsin] That's right.

[Question] I mentioned German blood because many people think that Argentina needs 20 million more immigrants. Europeans or Latin Americans?

[Answer] The only solution is demographic growth through the orderly incorporation of people from neighboring countries, even if we Argentines become a little darker for two or three generations, which is something that worries some people a lot.

[Question] Racial purity?

[Answer] That's right.

[Question] In any case, to accomplish the famous Latin American integration we need patience, tenacity, order and 25 years of meticulous, step-by-step work, as in the European Common Market.

[Answer] And we have to get to work. We have to set goals very carefully in our coordination policies, because while we were destroying Argentine industry in 7 years, the Brazilians have been setting up as many industries as Argentina did from 1900 to 1970.

[Question] How can Latin American unity be brought about?

[Answer] For a while now I've had plans to form a Federation of Latin American Democratic Parties, a sort of continent-wide multiparty group that includes all parties that are for democracy and against autocracy, for economic independence and against dependence, for the involvement and against the disenfranchisement of the people. Something of this sort was worked out in Quito. Charting a common strategy to restore democracy where we have lost it and to safeguard it where we have it in place. Look, a little while ago I spoke at length with Herrera Campins about Latin American integration. He told me that Venezuela imports \$1.3 billion a year in foodstuffs from Europe and the United States.

[Question] Are these foods that we could sell them?

[Answer] Yes, yes. Things that we could sell them. This is why I say that the major goal is Latin American integration. But we have to keep an eye on complementarity. I don't want my country to be a farm export center.

[Question] What's bad about that? What do you want industrial development for?

[Answer] So that industrial development can bring economic growth, create more jobs and bolster social justice. Democracy is possible only in an industrial society in which there is equality, social mobility and health care and educational services. This is why I'm proposing a historic alliance between democracy and industry.

[Question] But doctor, this is the approach that has been taken to protect Argentine industry, to the point that this is the only country in the world in which cars come without air-conditioning and, if you're not careful, without a radio...

[Answer] No sir, we were not that bad off. We were not that bad off. And in any case, now we have neither the imported Japanese cars nor domestically made fabrics. We're left with nothing. No one has done as much damage to the Argentine economy since 1810 as the people who invented the open-door policy.

[Question] Some industrialists who did not buy themselves houses in Miami imported advanced technology equipment and now have big companies.

[Answer] Look, imported capital goods do not even make up six percent of the debt. That is a fact. And as far as those industrialists you're

talking about are concerned, Martinez de Hoz's sympathizers, I'd like to know who they are. Show me a single one. But just an industrialist, not a banker or importer.

[Question] Alright. So on what terms are you proposing the alliance between democracy and industry?

[Answer] I am proposing that the next constitutional government, whatever it might be, pursue an industrial policy, a true industrial revolution. Protect the domestic market with a sound tariff policy, with a fiscal policy that encourages reinvestment, with a credit policy that meets investment and profit requirements, and especially by establishing clear and permanent ground rules. Business, in turn, has to tighten its belt. No more conspicuous consumption... They have to meet the needs of social justice. But the industrialists are well aware of this, because they know that good wages enlarge the market, enable production to expand and new jobs to be created, and that's how the economy rolls along.

[Question] That doesn't sound much like Milton Friedman.

[Answer] (Laughs) You know what the famous economist Paul Samuelson said about the policies pursued in Argentina over the past 7 years? He said: "That's not free market economics. That's free market fascism, because if the only variable is wages, which are decreased as often as necessary, then there has to be heavy social repression to quell emerging conflicts."

[Question] And what if someone told you that your plan is utopian?

[Answer] I would reply that in 1950, 5 years after Hiroshima, the Japanese decided that they were going to sell cars to the United States, watches to Switzerland and electronic technology to the Germans. And they're doing it. That's why we have to set our goals without being cowed by the circumstances.

[Question] Some people say that in industrial societies the State replaces the family.

[Answer] Who says that? Industrial society replaces poverty with well-being. In the modern world the most highly developed nations offer the best life. That is beyond debate, except if we start telling bucolic stories. I don't know. Maybe the Lapps are happy.

[Question] People also say that a technological society brings drug use, family breakups, homosexuality...

[Answer] Are you serious?

[Question] I'm just telling you what people say. Don't people use drugs? Is that an exaggeration?

[Answer] No, it's not. All of those things are serious distortions, things that crop up in modern society. They have to be combated. But listen, here in Salta, which has 600,000 inhabitants, we have 100,000 undernourished children. Did you catch that? In some provinces infant mortality rates have reached African levels. The school dropout rate is over 70 percent in certain areas; illiteracy is nearing 20 percent in others. Some 2.7 million Argentine families live in substandard housing, and a million of them in severely substandard dwellings. One-third of the population (10 million people, in other words) do not have health care coverage. There is your immorality, injustice and breakup.

[Question] You're from Chascomus, aren't you?

[Answer] Right. The land of the mackerel.

[Question] You must know how to row and fish.

[Answer] I never go fishing and I go rowing very infrequently. The only sport I've ever practiced has been rackets [paleta], which I used to play at the Club de Pelota in Chascomus.

[Question] Were you raised there?

[Answer] Yes. Until secondary school. That's when I was sent to board at the General San Martin Military School.

[Question] How remarkable. What was it like?

[Answer] It was tough. My mother, whose maiden name was Foulkes, was the daughter of an English couple and very Catholic. When she saw that my father and other Alfonsins had studied at the El Salvador School but did not turn out too religious, she decided to send me to military school so that I would continue going to mass when I grew up. And she was successful, because since then I've never set foot in a barracks.

[Question] But not in a church either...

[Answer] Yes, yes, I'm Catholic.

[Question] Since we're on the topic, has Radicalism signed a pact with the Church under which it will never propose a divorce law?

[Answer] No. That's a personal matter.

[Question] It's a legislative problem, doctor.

[Answer] But it becomes a problem of conscience for each person.

[Question] I find it noteworthy that although you are from the provinces, you have not included farming in your proposals.

[Answer] But I have. I am proposing a green revolution. It just so happens that changes in farm production are less urgent.

[Question] First the industrial revolution, then farming...

[Answer] No, we have to do everything at the same time. But industry takes up more energy and manpower. Furthermore, the more advanced farming becomes, the less workers it needs. So...

[Question] Many people think that farming is synonymous with the oligarchy.

[Answer] Not that, please. Farming is becoming more and more of a protein-producing industry. Moreover, growers (and I know this from close up in Chascomus) have had some very poor years because of the exchange rate lag.

[Question] Do you own land?

[Answer] No.

[Question] You didn't even inherit a tiny country house?

[Answer] (Laughs) No. I've lived off my law practice, although you can imagine what kind of practice it is with a politician who devotes all his time to politics. Luckily I've been able to count on my partners and now my son.

[Question] Another thing surprises me. You went to Military School but you have no friends in the military.

[Answer] Yes I do.

[Question] But you must know that you're not the most beloved of men to the Argentine military.

[Answer] Of course.

[Question] At times you answer with "of course" and nothing else.

[Answer] Of course.

[Question] What would you do to pare back the bureaucracy that is weighing the country down?

[Answer] I would make the country grow....

[Question] ...until the bureaucracy got proportionally smaller.

[Answer] That's just what I was going to say.

[Question] Because you want to present an image of dynamism.

[Answer] That's right. We want to achieve something like the 100 days of Roosevelt's New Deal and count day by day how many shops open their doors and how many industrial workers get jobs.

[Question] But with the bureaucracy we have, maybe instead of Roosevelt's 100 days you'll have Illia's 100 days. You'll forgive me...

[Answer] When we're in office, I hope that we can do in 100 days what Illia did, the man they call the "turtle" who brought the country growth figures that look startling today. Look, you can't do everything at the same time and overnight. But we have clear-cut goals.

[Question] Will you eventually get along with the Armed Forces?

[Answer] Look, I'm for putting all antagonism behind us. But the only way to achieve this is by subordinating the military to a civilian government. We're going to get along when all the military officers are democrats.

[Question] Are you guaranteeing us that a Radical government will respect and make others respect the rights of the opposition, freedom of the press, freedom of expression, property rights, artistic freedom?

[Answer] I guarantee only compliance with the constitution. The constitution!

[Question] With no film censorship?

[Answer] With freedom. But we're not going to allow pornographic films to be shown, if that's what you're referring to.

[Question] Aren't you afraid that capital will flee the country, as under Mitterrand?

[Answer] No, because we're a transforming force and we feel that the revolution today entails economic reconstruction and social repair. Look, the country needs a national movement. That's what we are. A democratic force, which we don't have to prove we are. A moral force, and we don't have to prove we're a moral force either. The country also needs technological capabilities...

[Question] That you do have to prove.

[Answer] Yes sir, we do have to prove that and we have teams that have been working for some time in all areas to bring about change under democracy.

PAPER COMMENTS ON GOVERNMENT PLAN

Buenos Aires LA PRENSA in Spanish 26 Oct 82 p 1 Sec 2

[Editorial: "The Government Plan"]

[Text] In general terms, no government plan can be judged in full merely by the goals it seeks and by the tenets it espouses. Its merits, usefulness and efficacy are decisively dependent on the way in which it is implemented and on the results that it eventually achieves in the always difficult realm of concrete reality. It is all well and good, therefore, to offer initiatives and set priorities for political action, but they will be little more than hopes, albeit well-founded ones, until the appropriate tools are developed to fulfill them.

In this regard, and with the limitations to which we have referred, the program made public contains a series of guidelines whose scope causes them to resemble a set of laudable intentions that one would be hard-pressed to disagree with. Nonetheless, the omission of certain issues that significantly involve the public interest and the terse mention of others that are having a serious impact on the country's critical situation, are cause for misgivings and well-founded concern.

Reading through the summary of the plan furnished to the media, we found it noteworthy that buried among the lengthy list of economic policy goals was "to slow down the rate of inflation," without any other explanatory reference or the slightest additional remark to highlight its fundamental importance. First of all, we must point out that a government plan envisioned for a given and not brief length of time does not consist of a mere list of goals or a series of projects the simple tallying up of which could take longer than the plan itself. In order for it to be considered a government plan, the least we can expect is a careful selection of goals and an ordering of priorities based on the significance, scope and seriousness of the problems to be remedied and on the degree to which the public interest is involved.

Hence, we cannot understand how an issue like the runaway inflationary spiral that has thrown our economy totally out of whack (we are in the unenviable position of having the highest rate in the world) and that has debased our currency, which is rejected throughout the world as

a medium of exchange, can go practically unmentioned in a listing of proposals that, while respectable, are of much less importance. Inflation must be viewed as both a cause and an effect of our economic distortions and, therefore, as part and parcel of the crisis besetting us. If the government itself does not realize the gravity of the problem, then the efforts to emerge from the crisis will be in vain because a genuine determination to combat it will be lacking. The crisis calls for harsh restrictive measures and increasing sacrifice, which to judge by the passing mention we are commenting on, we have every reason to believe the government, continuing the mistaken approach of its predecessors, will again try to shun.

In another vein, one of the goals set for the Labor Ministry is union normalization. We would assume that no one will attempt to prevent the trade unions from regaining their full statutory autonomy, which has been suspended until now under a system of government intervention that by definition must be temporary and limited. The issue, however, which the government plan regrettably fails to address, goes much deeper. It basically has to do with the inadequate and dangerous legal framework within which these organizations, once normalized, will have to pursue their activities. This framework, which is none other than the professional associations law, imposes in practice, as we have argued and shown so often, a dictatorship of the single union and restores the organized labor power of a group of leaders. This reprehensible law is a mirror image of the law that was in effect during the Peronist administration. Its substance is the same; only minor formal aspects have been changed. If it is not amended by revoking the provisions that permit and further the monopoly to which we have referred, the normalization that it promotes will vitiate any attempt to return to democracy and will jeopardize the normal functioning of republican institutions.

As far as the reporting of news is concerned, the plan speaks decisively of "government sector coordination measures to provide straightforward, accurate information in all cases on government actions." This goal is in stark contrast with the everyday reality, as journalists are repeatedly frustrated in their legitimate ambition to uncover such news. Silence and reticence have become a routine and objectionable practice among government officials, a practice that can hardly be equated with the straightforwardness that the program in question speaks of.

Moreover, nothing is said about the status of the government news agency, a euphemism for its propaganda machine, whose services are useful both to silence what looks bad and to play up what looks good. Maintaining such an agency entails an unacceptable privilege, because as the distributor of government publicity, it has discretionary powers to dispense it to progovernment media and to provide it grudgingly or deny it to the media that, in doing their job, have taken an independent line of thought. This paper, which was a victim of such execrable discrimination, is the best example of what we are asserting. To top it all off, in a truly ironic case in point, the day after the "straightforwardness and accuracy"

of government news reports was hailed as a goal, the president of the nation himself was told of the plans to expand the propaganda agency's activities beyond our borders. Genuinely republican governments ought to refrain from all propaganda activity concerning their performance. Not only is such activity alien to the function that they serve but it is also indecorous, to the extent that it distorts and detracts from the true merit of their accomplishments.

Furthermore, though the plan in question speaks of "specifying the instruments and stages necessary for institutional normalization," it mentions nothing about what they will be or what they will consist of. Such an omission is unacceptable in a program to which any importance at all is attached, and, furthermore, it is inexplicable inasmuch as the democratic normalization it mentions has already been announced so often. We still do not know either the date of the elections or the voting system. We still do not know how long martial law will be in effect, a system that severely restricts civil liberties, which are indispensable in the period prior to the reestablishment of constitutional government.

In short, both because of its overly general, vague wording and its omissions, the government plan for the next 15 months can only be termed an innocuous document, perhaps just another example of the regime's prolific rhetoric, a document that does little to satisfy the natural expectations that the announcement of it prompted.

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CSO: 3348/83

POLITICIANS UNEASY OVER ROAD TO ELECTIONS

Buenos Aires CLARIN in Spanish 28 Oct 82 pp 14-15

[Commentary by Ricardo Kirschbaum in the column "Political Panorama": "The Politicians' Doubts"]

[Text] The president is worried. One of the people who talked with him recently says that Bignone's uneasiness has to do with the climate in the country.

The occupant of the Casa Rosada is not the only one who feels that way.

His mood is shared by party leaders and other segments of the country's social fabric, who, beset by doubts, wonder: "Will there be elections in Argentina?"

The scandals that we already know about, which are popping up like mushrooms, have been compounded in recent hours by the implications of the macabre discovery in Grand Bourg Cemetery, prompting a climate of turmoil.

As if this were not enough, the rumors of a coup ebb and flow like the waves, helping to deepen the pessimism.

"A lot of things are going to come to the surface when the government loosens up. When a process like this decides to conclude, you have to have the ability to control the 'unwrapping' without adversely affecting the goal of handing over power," a current cabinet minister said not long ago.

Such comments are not usually heard in government offices. It indicates that, according to this view, the "transition" requires active political efforts by the government to prevent the "unwrapping" from acquiring its own momentum.

The situation in the regions is an example. The economic crisis and the lack of official responses have led to dead-end situations. Yesterday it was San Juan; today, Mendoza, and these two provinces are governed by political groups that support the military regime. In both instances the erosion not only damages the government but also worsens the outlook under the future constitutional system for the parties that agreed to be the Process's agents [poleas de transmission].

Party leaders do not doubt that the current administration wants to see the country institutionalized. They believe, however, that it is moving too slow to achieve this goal.

When a Casa Rosada source was asked to comment on this, he said that the Armed Forces want an "orderly" retreat, not a rout. This military terminology means that power has to be handed over under conditions that protect the Armed Forces against future contingencies.

The translation of this is: "an arrangement" [concertacion].

But if politicians are not in total agreement on what stand to take on the government's proposal, then we can also assert that there is no unanimity in the military either.

The first issue has to do with the selection of negotiating partners. Opinions are divided. On the one hand, the Navy and the Air Force reportedly agree that an arrangement ought to be negotiated only with the political parties.

Their strongest argument is that the parties are the ones that will run in the elections and that from them will emerge the components of the future administration and congress.

As far as the Army is concerned, however, the arrangement ought to be more comprehensive and include "all representative sectors of the country" so that the common ground worked out during the negotiations is supported by a social framework more solid than the one that the political parties alone can provide.

The two positions are not unalterable, of course, and the secretaries general of the Armed Forces will have to seek a common denominator for this problem, as they have done ever since the Process started.

This is not the sole difference of opinion. The issue of the missing persons, which will surely head the list of topics to be discussed, has also prompted different approaches.

Some sources point out that this is a nonnegotiable issue because the "war against subversion" has to taken for what it was. Those who hold this view feel that no list of missing persons ought to be issued; rather, the matter should be negotiated as part of a wideranging amnesty law (though they feel the term is not the proper one) that would also apply to the other band, with precise restrictions.

Others, in contrast, reportedly favor closing the book on the issue by furnishing the available information on this painful problem. They contend that any agreement hammered out now during the "arrangement" might be laid to rest on the first day that Congress is in session and that therefore it would be better to take precautions by adopting a more tactful approach.

In party circles, moreover, lively discussions were under way regarding the stand that Raul Alfonsin outlined concerning the potential accountability of the Armed Forces in connection with human rights.

The leader of Renovation and Change said that those who made the decision to do certain things, the top military echelon in other words, must be held accountable. Those who feel they are entitled to damages can resort to the courts against those who were directly involved.

This opinion has to do with the future. Today, it is obvious that the official silence cannot continue.

The parties are taking an extremely cautious position. Their leaders say that it is important to protect the road towards institutionalization and that "agitationism" could be used for purposes quite different from the ones being pursued by those who are pushing for a catharsis of the military regime.

This is probably so. But there are also political leaders who believe that the parties ought to be occupy the spot they are abandoning with respect to human rights. They feel that the issue should be part of the general strategy of all sectors that want a democratic solution, by getting rid of these "accursed legacies" before the elections.

Another controversial issue that could be tossed onto the bargaining table is the Falklands.

A certain military office let it be known that one of the possibilities under study is the release of a "white paper" on the war with Great Britain, containing the necessary information on the decision that was made and other data on the course of the fighting.

But all is not worries in the government. There are also some who are pleased that a government prediction has come true. The prediction was that the political party "infighting" would absorb their leaders' attention, which would diminish the actual pressure on the military administration.

This entire picture, with the economic and social crisis as the backdrop, justifies the doubts besetting politicians about the transition to elections.

Don't faint over it. But each passing week resembles a childbirth.

8743

CSO: 3348/83

POLITICAL PARTIES SEEK CHURCH SUPPORT

Buenos Aires LA PRENSA in Spanish 6 Nov 82 p 4

[Text] Peronism, Christian Democracy and the Popular Conservative Party will ask the Church to assume "a specific rallying role" and to extend invitations to the country's "representative" sectors to seek solutions to the institutional crisis.

Italo Luder, the former provisional president of the last Peronist government, met with Cardinal Juan Carlos Aramburu, the primate of Argentina, to discuss the issue.

Meanwhile, Martin Dip (Christian Democrat), Deolindo Bittel (Peronist) and Vicente Solano Lima (Popular Conservative) announced that they would extend an invitation to the bishops to call together the representative sectors.

The politicians did not furnish further details in this regard, but Dip mentioned the imminence of "a more precise announcement of the mechanism and the terms on which the appeal would be made."

The Initiative

The proposal that the Church be the rallying point of a meeting among the representatives of all national sectors, including the Armed Forces, was disclosed last Saturday by Lima.

The former vice president of the nation indicated, furthermore, that Bittel had given his "OK" to invite the Church to set the process in motion. This was later confirmed by Bittel himself, who clarified that an issue of this importance needed some "time to be studied."

In addition, Bittel did not rule out the possibility that he would meet next week with the papal nuncio, Monsignor Ubaldo Calabresi.

Luder has already met with Cardinal Aramburu, and antiverticalist Peronist leader Carlos Palacio Deheza has been in contact with Cardinal Raul Primatesta.

It was learned with regard to the meeting between Palacio Deheza and Primatesta, however, that the politician's subsequent statement made "a bad impression on Cordoba Church officials."

Palacio Deheza met with Primatesta and gave him a document explaining his personal position on the reconciliation; at the close of their meeting he furnished the press with a statement on the issues they discussed.

According to sources close to the Church in Cordoba, Monsignor Primatesta "merely received Palacio Deheza and did not voice any support for or opposition to his document."

Meanwhile, Lima explained that he would not meet with the bishops "until the presidents of Peronism and Radicalism accept the task of inviting the Church to issue the appeal for a meeting."

"I have already spoken with Bittel, and he said yes, and I'm about to contact Contin to talk it over with him," he added.

He indicated that "the two presidents and the bishops are going to decide how to extend the invitations to the representative sectors of the entire Argentine society."

He felt, however, that "since the Church is not involved in politics, it is not going to take part in the discussions" among these sectors.

In this regard, he offered the view that "the episcopate's last document and the comments by Monsignor Aramburu, which reaffirmed that the Church would agree to play a rallying role, invite us to make use of the Church for the good of the country."

"The Sole Institution"

For his part, Bittel asserted that "the Church is the sole institution that can rally all Argentines, and we are going to take every step to help it accomplish this."

"Without a national reconciliation I don't think that the country has any future prospects, and the consequences would be unforeseeable," he went on to say.

He then indicated that in the face of "doubts that the country will be institutionalized, we must make every effort we can to lay the groundwork for the country's definitive pacification."

He clarified, however, that "as of now we have had no direct contact with the Church," adding that "we are not going to offer any opinion until we have seen the specific proposal and learn how it is going to be implemented."

He indicated that he would get in touch with the head of Radicalism, Carlos Contin, to take a look at Lima's proposal and he confirmed that he gave his "OK" for "him and Contin to invite the Church to issue the appeal for a reconciliation."

In conclusion, he pointed out that "because of the far-reaching importance of the issue we should not act hastily," adding that he had "faith that the effort would come about, as the great majority of the country wishes."

Definite Possibility

For his part, Martin Dip, the secretary general of Christian Democracy, asserted that "the probable involvement of the Church has now become a more definite possibility."

Dip maintained that "the Church itself has the ability to take the lead in playing a rallying role."

He disclosed that "in a little while we will have further details" on the appeal for a reconciliation, "but I cannot reveal anything else. The only thing I can say is that these expectations are going to be fulfilled."

Basic Issues

When asked about the issues on the agenda for the multisector discussion of Argentina's problems, he replied that "from my personal standpoint, I feel that there are three basic issues: missing persons, the events surrounding the recovery of the Falkland Islands, the economic and social problem and the renegotiation of our foreign debt."

Referring to his meeting with Monsignor Aramburu, former Senator Luder denied, in contrast, that he had stated that the Church "ought to play a rallying role."

"Our meeting had no political implications of any kind," he added. "It couldn't have, because I was talking to the head of the Argentine Church."

He was asked for his opinion of the proposal that the Church play a rallying role.

"I am in agreement with the document 'Paths of Reconciliation' and with the subsequent one," he said, "but the Church itself has to decide what role it ought to play."

He then said that "the Church has a spiritual role, not a political one, and it has never strayed from this role."

In conclusion, he categorically denied that the most recent episcopal document "offers advice to voters on how to vote or on supporting certain political forces." (NA)

RAPPROCHEMENT WITH ARAB LEAGUE TERMED NECESSARY

Bahia Blanca LA NUEVA PROVINCIA in Spanish 18, 22 Oct 82

[Editorial: "Better Relations with the Arabs"]

[18 Oct 82 p 2]

[Excerpts] The granting of diplomatic status to the Arab League's delegation in Argentina satisfies a short-term requirement of our foreign policy, according to the grounds cited by the government.

The official reason has to do with the upcoming vote in the UN General Assembly on the Malvinas Islands issue. The cause of recovering our islands and our ocean and air space in the South Atlantic of course justifies this political and diplomatic move. But the emergency in the South Atlantic is not the only justification. There are various reasons for improving our relations with the Arab World, not the least of which is that close to 2 million Argentines are descendants of Arab immigrants, who have represented a valuable human contribution to our country.

There are 21 countries in the Arab League today, and the decisions of each of them on many fundamental issues hinge on what the supranational body says.

Ignoring the league on an official level was obviously an indirect slap at each of the member governments. The league is an avenue for political agreements, such as this one, which Argentina needs today with a view towards the UN vote; it is also a channel for trade preferences, the analysis of loan and investment requests, and the rulings on whether cooperation pacts should or should not be implemented. The Saudi Arabian Government exerts some degree of predominance in decision-making, but not as much as some of our analysts assume.

The Arab League is a synthesis of one entire region of the world and reflects the contradictions that are part and parcel of that region, as well as its suspicions, confrontations and ideological differences. The presence of the Palestine Liberation Organization has not meant the exclusion of tradition-minded Kuwait or Bahrain or the Saudi kingdom

itself. Furthermore, at its most recent meeting in Morocco, the league gave serious consideration to the reincorporation of Egypt, which was expelled after its peace accord with Israel, and this move will probably be approved in 1983.

In granting diplomatic status to the League of Arab States, Argentina merely placed in operation our country's side of the bridge that the Arabs (let us recognize as much) had extended to us. Our government's move, largely promoted by the Foreign Relations Ministry, is encouraging in that it shows independence in the face of certain pressures, as well as a healthy balance. Moreover, the benefits could easily go far beyond the ones we hope to reap when the United Nations takes up the Malvinas Islands issue.

[22 Oct 82 p 2]

[Text] A few days ago, on Monday the 18th, we highlighted the importance of our country having recognized the Arab League. We will now address the issue again and analyze it from a different angle, precisely because it is so important.

Given the particular circumstances that our country is in, the significance of recognizing the league is that it could be an encouraging innovation in Argentine foreign policy. For the moment, it is a hopeful sign in the sense that it augurs a probable (and indispensable) shift in the foreign sector, putting behind us the atrocious one-sidedness and asphyxiating passivity that has always characterized Buenos Aires's foreign policy and that has intensified in recent decades, culminating in the negotiations on the South Atlantic conflict (in which we should include the dispute over the Beagle).

In order to shatter the obvious isolation in which it has been operating for some time and which became hostile and intolerable as of 2 April, Argentina needs to secure new alliances wherever circumstances offer or facilitate them. Naturally, in international relations it is as futile as it is impossible to find groups that offer broad, permanent common ground leading to stable associations. But a certain degree of affinity is enough to bring about the needed rapprochement.

In the case at hand, there are more than a few shared interests. Our country produces foodstuffs, a critical item, while the Arab League members, with whom we have now established diplomatic relations, act on the world stage with another vital product, oil. To liken the two situations further, only in an all too relative sense can they be said to administer in true freedom the wealth they produce. It is obviously advantageous and legitimate for them to undertake any coordinated effort to create more maneuvering room for the producers of key items for today's economy and tomorrow's survival.

These closer ties, which we have been promoting for some time now in this paper, have an even more profound meaning. They could mark the

beginning of a shift in tensions from the East-West to the North-South axis, which is obviously becoming an increasingly important and real element as the capitalist West and socialist East gear their strategy (with greater or lesser sincerity) to the bilateral distribution of spheres, to the development of prescriptions for coexistence and to the search for common interests.

Concurrent with and underlying this dichotomy, which by all indications is on the way to resolution, a confrontation is emerging that will almost necessarily become an openly declared conflict between the industrialized North and the raw-materials-producing South. Our country's recognition of the Arab League is in line with this dialectic, which is already knocking at the door and taking such clear shape. By setting aside longstanding patterns characteristic of a bureaucratic mentality, this move will enable the country to forge alliances with and seek support from concrete power factors on the level of realistic language that will provide a surrounded Argentina with more maneuvering room, which is absolutely indispensable.

8743

CSO: 3348/69

BRITISH TRICKED, SAYS FORMER PORT STANLEY AIR FIELD CHIEF

Buenos Aires LA PRENSA in Spanish 29 Oct 82 p 9

[Text] Everything in the Sixth Tandil Air Brigade revolved around Pierre Clostermann's movements.

A feature writer from this paper was waiting for him to conclude his talk with the pilots in the room in which they customarily gather. To kill some time, as the colloquial expression goes, he began reading the inscriptions on the 2-liter champagne bottles that commemorate the first solo flights of the members of the brigade on a Mirage V Dagger, and perusing the escutcheons, badges and paintings, all of which have to do with flying and their activities as fighter-bombers.

Among all these symbols on the walls of the room he found a bulletin board with publications of interest. One of them was a translation of the magazine FLIGHT INTERNATIONAL on air action in the South Atlantic.

As the reporter was reading the magazine, the discussion between Clostermann and the members of the Sixth Air Brigade concluded, and they all went into the pilots' room.

It was at that point that one of the Air Force officers came up to the reporter and showed him a photograph in the aforementioned magazine. He pointed to the caption of a photograph of the Port Stanley air field in the Malvinas; it read: "This is a Macchi aircraft standing next to one of the holes caused by British aircraft bombing. In the background are two others, which put the field out of use during the war."

"But this isn't true," he noted. "The enemy bombing caused only one hole; we faked the other two with rubble and debris, making them the same size as the real one, so that the British would think the strip was inoperative and not attack it anymore."

Concluding his comments, Commodore Hector Luis Destri, who was the Port Stanley Airport chief during the fighting in the Malvinas, recalled that when the British troops arrived in the island capital and took over the airfield, they did not realize that the pits were fake even when they were just 5 meters away. Finally, Commodore Destri brushed away the rubble with his foot and showed them that the landing strip's cement surface was intact.

The Argentine officer concluded his story as follows: "The British then kicked at the debris and shouted some obscenities about their airmen, who had failed to notice the trick."

8743

CSO: 3348/69

FINAL CENSUS FIGURES RELEASED

Bahia Blanca LA NUEVA PROVINCIA in Spanish 26 Oct 82 p 4

[Text] Buenos Aires, 25 October--As of 22 October 1980, the country had 27,947,446 inhabitants, according to the final statistics of the National Census of Population and Housing, released today by the director of the census, Dr Guillermo Bravo.

The figures reveal a major population growth, and the significant fact that the provinces have retained their own population to a greater extent.

In addition, 8,196,284 private homes were counted, which means a growth of 75 percent over the 1960 census figures.

It was also revealed that children and youths are participating more actively in the educational system, to the point that as of the date of the survey, 92.4 percent of children 12 years of age attended school, and 2.2 percent had finished school.

During the press conference held in the Green Room of the Treasury Building, it was also announced that Series B of the Census has been published. It is a voluminous book that contains the general characteristics of population and housing, with definitive data by province and locality.

As for the population, it was reported that between 1970 and 1980 it grew by 20 percent. This meant that for the first time in 60 years the growth rate was higher than that of the previous decade (17 percent).

"The country grew more than was expected," said Dr Bravo, who pointed out that the provinces that grew the most are those furthest from the federal capital.

The area with the most vigorous growth was Patagonia, with 104 percent in Tierra del Fuego and 36 percent in Santa Cruz, followed by increases of 26 to 36 percent in the northern provinces (Jujuy, Salta, Tucuman, Formosa and Misiones). Third place is held by Buenos Aires, Chaco and Mendoza, with rates between 23 and 24 percent, very close to the national average (20 percent); San Juan, La Pampa, Catamarca, La Rioja and Santiago del Estero. The growth rate was lower in San Luis, Cordoba, Santa Fe, Entre Rios and

Corrientes (between 12 and 16 percent), while the federal capital was the only jurisdiction that lost population in the last decade, with a growth rate of -2 percent.

The average number of inhabitants per square kilometer is 10, but that average density is not uniform, even within each province. It was also reported that during the 1970/1980 census period for the first time there was a drop from 36 to 35 percent in the proportion of the population living in the federal capital area and in Greater Buenos Aires. Although this is not a large reduction, it is significant that the provinces have retained their own populations to a great extent.

As of the date of the survey, 83 percent of the country's inhabitants resided in urban areas, a 4-point increase over 1970's figure. The proportion of foreigners declined to only 7 percent (2 percent from neighboring countries and 5 percent from other nations), with a total of 1,912,917 people, the lowest figure of the century.

The decline in immigration, together with the longer lifespan of women, led to a female majority in the population. In 1980 there were 100 women for every 97 men; 10 years ago that ratio was 100 to 99.

8926

CSO: 3348/74

SHIFT IN MIGRATORY PATTERN CAUSED BY ECONOMIC CRISIS

Buenos Aires CLARIN in Spanish 17 Oct 82 p 12 (econ. supp.)

[Passages enclosed in slantlines printed in boldface]

[Text] The 1980 census figures reveal a reorientation of migratory trends in the nation's interior during the last decade. /The decreasing flow of migrants to the area of Greater Buenos Aires and the growth rates recorded in the provinces indicate a change in historical tendencies./

Taking into consideration the data related to the economic crisis that has plagued this country since the mid-1970s, however, one cannot assume a stable relocation of the centers of attraction for those migrants.

According to the 1970 census, during the sixties the total number of non-native residents of the Greater Buenos Aires area grew by about 860,000 people. Between 1970 and 1980, on the other hand, according to unofficial estimates, only about 500,000 migrants chose to reside in Greater Buenos Aires. As a consequence of this, the percentage relation between the population of the metropolitan and suburban radius and the total population of the country--which had been growing steadily since 1895--declined between 1970 and 1980. From 35.7 percent of the total population, the figure dropped to 34.8 percent, which actually shows that the relative degree of concentration did not vary significantly.

One must conclude, in the first place, that /the configuration of Greater Buenos Aires is changing. The federal capital has been a major population loser in recent decades, and in the 1980 census it yielded a negative growth rate./ But several suburban districts are also beginning to /lose residents: Avellaneda, Lanus, Vicente Lopez, San Martin and Tres de Febrero/ are the most notable cases.

On the contrary, some districts adjacent to the Greater Buenos Aires area grew at rates much higher than the average recorded for the 19 districts of the suburban area. Such is the case with /Escobar, Campana, San Vicente and Pilar./

This movement toward the outskirts of the metropolitan area and toward neighboring districts is taking place at a time when the housing crunch is

becoming more severe for low-income residents as a result of the enforcement of the /Rent Law/ and the eradication of makeshift dwellings in the capital.

Growth in Provinces

The stemming of the tide toward Greater Buenos Aires has coincided with an increased uniformity in populational variations among the different provinces.

While in the 1970 census nearly half the provincial states experienced insignificant growth in their population--which really means that they were losing population--in 1980 all the provinces showed growth rates close to what would be their natural growth rate. /It should be added that until 1970 the provinces that were losing population showed a constant increase over time in the relative magnitude of emigration. This trend was particularly visible in Catamarca, Corrientes, Chaco, La Rioja, Santiago del Estero and Tucuman./

Although there are still no official data on migratory totals, it is plain to see that some provinces, in addition to maintaining their natural growth rates, /experienced population expansion through migration. This happened in the provinces of the Patagonia region: Neuquen, Rio Negro, Chubut, Santa Cruz, and Tierra del Fuego./ It should be noted, however, that these populations are very small, so the impact on their growth rates is greater.

/Neuquen,/ for example, shows an annual growth rate of 44 per 1,000; from a population of 154,000 in 1970, it rose to 241,900 in the latest census.

The 1980 survey also reveals increases above the natural growth rate in the provinces of La Pampa, Jujuy and Santiago del Estero, whence in decades past large numbers of emigrants had flowed into the urban centers.

"Tertiary" Cities

A detailed analysis of the figures reveals that /in the interior of each province the departments with the most growth are those where the capital city or most important cities are located./ In these areas the growth rates are significantly higher than the provincial totals. Curiously, this phenomenon is even more manifest in the provinces that had been losing population in previous censuses: /Catamarca, Corrientes, Chaco, Jujuy, La Pampa, La Rioja, Salta, and San Luis./

According to geographer /Carlos Roberatti,/ an expert in internal migration, the migratory flows have been reoriented in the past few years toward the cities of the interior, while almost all rural departments continued to lose population.

The crisis in the regional economies explains the movement of inhabitants toward the cities, from the interior of the provinces. These are /"tertiary cities;"/ they lack major industrial development but at least offer access to some services (such as health or housing), and provide better opportunities for occasional work.

Moreover, the construction of public works in the interior attracted unemployed manpower from rural areas and from industry, while large infrastructure projects such as Yacyreta were and are the source of hope for entire populations, despite their temporary nature.

Meanwhile, industrialized urban centers, which for decades attracted residents from the interior, /are discouraging migration because of the lack of job opportunities and the reduction in the employed workforce./

Thus, for now, the method that has proven dramatically effective in deconcentrating the Argentine population has been the paralyzation and regression of the industrial productive apparatus. That is why it cannot be said that the 1980 census figures reveal any trend that will be confirmed over time. The only sure thing is that migratory flows will continue to develop as a function of the attraction exerted by economic growth, wherever and whenever it appears.

8926

CSO: 3348/74

ECONOMISTS URGE MEASURES TO REACTIVATE ECONOMY

Buenos Aires LA PRENSA in Spanish 6 Nov 82 p 2

[Text] Economists of the principal political parties asserted that the economic crisis necessitates the acceleration of the institutional normalization process, and warned that if urgent decisions are not adopted to make economic reactivation a reality, the situation could become very serious before March 1984.

Former Minister Roberto Alemann, on the other hand, stated that if the problem of the immediate payments required on the foreign debt can be resolved, then "we will make it to 1984."

The president of the National Republican Caucus, Alberto Benegas Lunch, opined that it will be "difficult to arrive at the elections with the atmosphere of conspiracy that prevails," and demanded that the government itself make a change.

These political and economic leaders were responding to a survey by Noticias Argentinas concerning the economic prospects and their influence on the political situation.

Antonio Troccoli

Radical leader Antonio Troccoli indicated that "in no way should the institutional normalization process be delayed; quite the contrary, because that process will provide the political framework upon which we will be able to reconstruct the country."

He added that the three measures that should be adopted immediately to reach the elections without further hindrances are: strengthen wages, stimulate exports and promote productive investment."

"The current economic crisis," he emphasized, "is one more reason to accelerate the institutional normalization process."

The secretary of the economic commission of the Radical Civic Union (UCR), Ruben Rabanal, recalled that the Multiparty Organization has been demanding "urgent measures to resolve the crisis since September 1981."

"To try to survive under these conditions until March 1984 is not reasonable," he added. "We must ask ourselves who will be able to endure that long, and what kind of country will be left for the civilians to administer."

Arturo Frondizi

The president of the Integration and Development Movement (MID), Arturo Frondizi, said that gradualist policies involving partial progress "have proven to be utter failures."

The former president of the nation added that if profound economic changes are not made, "the country will reach March 1984 in a state of anarchy and disorganization."

In turn, MID Vice-President Rogelio Frigerio reiterated the general concepts expressed by Frondizi, and stated that much of the responsibility for the present situation lies with the political parties, "which have turned their attention to internal struggles, forgetting the problems of the country."

Frigerio emphasized the need to implement "immediately the program proposed by the Multiparty Organization," and claimed that beyond the apparent changes, an economic plan similar to that proposed by Jose Alfredo Martinez de Hoz is being applied.

Eduardo Setti

Peronist economist Eduardo Setti (closely linked to Bittel and the 62 Organizations) agreed that "we cannot wait any longer."

He maintained that the best alternative would be to cut short the membership process in political parties and to call elections immediately, to turn over the government in May 1983, given that "the crisis is not just economic, but also political."

"I am not saying that the parties should stop consolidating their memberships," he explained, "and go into the elections without solid political leadership. That would cause a new crisis. But we cannot continue in this timeframe, because it would lead to national destruction."

The coordinator of the subcommittee on economic doctrine of the Justicialist Party, Eduardo Amadeo, stated for his part that the situation is reaching its limit.

"It is impossible to wait until 1984," he indicated, "even though the virtual lack of power makes it impossible to undertake measures."

"The current economic leadership," he added, "aside from its difficulties, appears to have no social awareness."

The leader of the Socialist Confederation, Leopoldo Portnoy, who chairs the economic committee of the Association of Economics Graduates, asserted that "an immediate and serious financial and banking reform is necessary."

He went on to say that this reform "should be the starting point for a solution that cannot wait a year and a half."

Alvaro Alsogaray

Former Economics Minister Alvaro Alsogaray reiterated that "the country is traveling along a path that has hyperinflation on one side and massive unemployment on the other."

"Only a far-reaching reform of the socio-economic system," stated Alsogaray, "can prevent painful consequences and help the country recover. But that reform is impossible to carry out under the present political circumstances."

"To try to do so," he concluded, "we would have to wait until 1984. But since we will not reach that year without serious disturbances unless we do something, we have proposed an emergency program of cooperation between the parties and the government."

Roberto Alemann

The only person consulted who did not express pessimism about the economic situation was former Minister Roberto Alemann, who stated that his main concern is with the external sector.

"Now," said Alemann, "the government should come to grips with the immediate problem of making the exchange insurance payments that begin to fall due in November. If it manages to solve that problem, I think it will survive until 1984."

National Republican Caucus President Alberto Benegas Lynch asserted that the economic and financial situation "is getting worse because of the policy that is being pursued, but it could be reversed easily if we returned to the policy of Roberto Alemann."

He expressed the opinion that if inflation is not controlled and public spending is not reduced, it will be "difficult to arrive at the elections with the atmosphere of conspiracy that prevails."

8926

CSO: 3348/84

RECOVERY OF FISHING INDUSTRY REQUIRES NEW FLEET, PORTS

Buenos Aires SOMOS in Spanish 5 Nov 82 pp 46-47

[Text] Fishing was the first industry forced by the cut in the exchange rate (the "small schedule") to request assistance from Minister Martinez de Hoz under a system of refinancing liabilities, around 1980. In mid-1981 the industry reached total paralyzation, and many businesses were left by the wayside. Today, builders of high-seas fishing vessels acknowledge that things are back to normal, and activity is on the upswing as new and important foreign markets are won, paradoxically thanks to the Malvinas conflict. In support of this source of foreign reserves, non-existent until a few years ago, the government is promoting the construction of modern fishing ports in Madryn and Ushuaia, as well as the modernization of the fleet.

The undersecretary of fishing, Capt Hugo Talamoni, told SOMOS that at present there are 188 fishing firms operating in the country, of which 170 are Argentine and 18 have foreign capital contributions. Altogether there are 509 fishing boats, operating out of Mar del Plata, Quequen, Ingeniero White, Madryn, Deseado and Ushuaia. "The latter," said Talamoni, "will become increasingly important, because in addition to the Argentine-Spanish company that is already working with four ships and three crab-fishing vessels, that port will be the home base for two mixed Argentine-Soviet corporations that will run five factory ships south of the 46th parallel, as far as Antarctica. They will be involved not only in catching traditional species, but also in harvesting krill, which will be in great demand in the future because of its high protein value. In fact, the United Nations Food and Agriculture Organization (FAO) estimates that by the year 2000 50 million tons of krill will be consumed each year, compared to the present total fish consumption of 60 million tons."

Troubled Waters

The short history of the plan that was begun in 1976 by the Secretariat of Maritime Interests has been very tumultuous: first there was the financial crisis beginning in 1979, and then the discovery that the original calculation of an annual catch of 700,000 tons of hake was erroneous and would have to be revised to 440,000 tons to prevent depletion of the species. As a result, the factory ships can operate only south of the 40th parallel, where

the lower-priced southern hake is found. But the 150-mile exclusion zone around the Malvinas makes access to much of this zone difficult. There was also the temporary closing of the European market during the conflict with Great Britain.

But every cloud has a silver lining. Instead of hake, which sells for \$1,300 a ton, the factory ships are authorized to catch prawns, which fetch a very high price on the international market (between \$5,000 and \$7,000 per ton). And in lieu of the traditional markets that are now having economic troubles and therefore are demanding much less, other, larger markets have been opened up in Africa and Asia.

The initial goal is to achieve an annual fishing volume of 1 million tons. The maximum obtained to date was 550,000 tons, in 1979. That figure dropped to 351,000 in 1981. Domestic consumption remains at about 140,000 tons. Now, in the first half of this year, production has reached record levels, surpassing that of the same period of 1979.

Although in 1976 it was determined that the best place to build the fishing port where large companies could operate would be Puerto Madryn, efforts in that area were thwarted by a lack of backing and private interest in concessions. "The project of the Secretariat of Maritime Interests," Capt Talamoni told SOMOS, "involves a specialized port where, under contractual obligations, these companies will build fish processing plants, packing facilities, ice plants and net repair shops."

Fresh Markets

During the first 9 months of this year, 163,300 tons of fish were exported for \$131 million, a 78 percent increase in volume and a 61 percent increase in value which reflects the fall in the international price (35 percent in the last 3 years) as a consequence of the world crisis. Brazil buys whole frozen fish that is caught as the boats head from Mar del Plata to that country. This is a low-priced product that makes up for other sales of more highly processed and therefore more expensive products. In general, Argentine fish products are competitive in the world, including Europe, Africa and Asia. But canned fish is not competitive, because the canning process constitutes 50 percent of the cost. In the past 6 years 50 markets have been won, some of them very recently, as a result of the sanctions imposed by the European Community that forced Argentines to look for other buyers. Large volumes are sold to Egypt, Nigeria, Iran and Iraq, but the first three places among our customers are held by Spain, Japan and the United States.

The undersecretary of fishing and industry officials all agree that the current exchange rate favors exports, and that the international market is growing. For this reason, in order to renovate and modernize the fleet while credit arrangements are being made by the National Development Bank, facilities will be provided for the leasing of factory ships that are available in Europe. Domestic consumption also offers a broad potential. At present fish consumption totals 4.5 kilos per capita per year, compared to 60 in Japan, which is approximately the amount of beef Argentines consume annually. In October, fish cost half what beef was selling for in Buenos Aires, and that trend will continue for a long time.

'OBSERVER' COLUMN ANALYZES LABOR, POLITICAL CLIMATE

Buenos Aires LA PRENSA in Spanish 5 Nov 82 p 12

[Text] The government announced a 60-day period for the normalization of labor unions through "transitional normalizing commissions." If we go strictly by the almanac, that period ends on Monday the 15th of this month. But in a matter of this sort, and in an area such as labor, simple arithmetic becomes a new "utilization of the possible;" because the mere announcement of the government's goal, which simply confirms an intention that became evident when Minister Villaveiran took office, and that was put forth in this column through the undersecretary for union normalization (Col Navarro Allub), led to myriad confrontations among the various factions that exist in all trade unions in an attempt to achieve a majority on that commission.

Judging by the many occasions on which this issue was discussed in the upper echelons of the ministry, it would appear that there are two currents of thought regarding the solution to the Gordian knot of "how many and who" would be on the commissions. One of these groups advocates the proportional representation of each faction, that is, in accordance with the number of members and locals that support each of the groups. The other side proposes to name delegates for each faction, once it has been proven that each one truly exists and functions, and is not just on paper (sometimes not even officially stamped paper).

The first of these two ideas would be difficult to put into practice, not just because it is quite difficult to establish the accuracy of the figures on membership that might be submitted, but also because under this plan the official party would have to be responsible for the ultimate development of each commission's activities. This is because the majority is in charge of calling elections and recording and supervising the rolls, and therefore will prevail over the other parties. There would always be objections and protests by the minority, which would at least considerably delay the election process.

The designation of an equal number of delegates for each faction would seem more viable, considering that in the case of the Union of Municipal Workers and Employees, the system has functioned well since the designation that was agreed to during Minister Porcile's administration and fostered hopes (soon dashed) that it might be applied to other trade unions.

Myriad Accusations

Meanwhile, the commissions have not been named, and the diatribes and internecine struggles continue to multiply. A typical case is that of the mechanics, in which the Interior Group, with Cardozo and Mercado, and the Verde List, with Rodriguez, are engaged in a daily duel of statements in which the latter maintains that it has a majority in the union and the former accuses it, among other things, of "fearing the possible destruction of its 'apparatus,' which enabled it to dominate aid, tourism, membership and other services."

Among textile workers the situation is also quite confusing: the National Unification Textile Workers Movement (MOTUN), Celeste List, headed by Jose A. Biafore (who is not committed to Peronism and has already served as the union's leader), accuses Minister Villaveiran of breaking his promise not to innovate; of allowing the new military "interventor," Lt Col Neme, to turn the textile union over to a single political labor faction (formerly followers of Casildo Herreras, the "eliminated man" of 1976); and of dismissing delegates from the various branches for having supported the activities of Biafore himself. The Goyeneche and Gimenez group appears to have solid numerical backing, considering the more than 800 members who loudly supported the last plenary session held at the brand-new local on Avenida La Plata. But there is also opposition in other sectors, such as that of Navaez, Lopez, Rodriguez, Darbon and others, plus that of Jorge Elias, which tried to carry out a mass demonstration at the same union local, with little success.

The construction union is still an unknown quantity. While the MUNOC [expansion unknown], Papagno sector, screams at the top of its lungs that it has "reached an agreement, finally, with Farias," apparently the latter, under a bit of pressure in his association with CGT-Brasil and the 62 Organizations, suffered a reverse in his own sector, which decided to remain in CGT-Azopardo. And nothing has happened with proposed "reconciliation barbecues," which are even further away considering the astronomical increase in the price of meat.

Light and Power (apparently there was an agreement, Lescano-Tacone-Angeleri) and Banking give the impression, as we indicated in our daily report, of being the closest to a solution. Their transitional commissions, in keeping with those earlier agreements, will probably function normally later on.

On the other hand, although the maritime union already proclaimed the "Arce List," there is still opposition from the "Stella Maris" group, which has undeniable support among the rank and file, and from the group that backs former Secretary Livio Massagatti.

In view of all this, many unionists are wondering why the government does not impose a neutral party to make the designations, given that the only function of the transitional commissions is to allow the members themselves to take over the supervision of the electoral process and the pre-electoral

campaign, and in the majority of cases, members will not run as candidates. They also point out that, as a corollary of the almost uniformly harmful action of military intervention, the "interventors" will be allowed, in many cases, to determine who will be on the transitional commissions, instead of leaving that designation exclusively to the ministry (it should be noted here that the person directly responsible, Navarro Allub, is a colonel on active duty and therefore a comrade in arms of the majority of the "interventors").

Compromises

Meanwhile, in the labor sector as well, rumors abound concerning compromises. Politicians (Contin, for example) have already pointed out that the only agreement with the government will be regarding the exact date of the elections, "because there can be no prior commitment that will tie the hands of the future constitutional government. The people, even before the election, would reject it." On the labor side there is also a favorable view of this kind of commitment, although some "Azopardist" members have been accused already of maintaining constant dialogs with high military officials. As a counterpart to that, CGT-Azopardo has managed to begin talks on the already famous and long-awaited "special tripartite commissions," to deal with crucial issues such as labor union normalization, lay-offs, social security, wages, state enterprises, retirement, the housing crisis, and others. One point in favor of that union sector is undoubtedly the fact that it "opted for professionalism," as we also indicated some time ago.

Amid the strident diatribes and epithets, the metallurgical workers of the capital decided to leave Azopardo, and will certainly move over to the Brasil faction. Ruben Marcos and his sector have thus endorsed a position that "is no surprise to Azopardo," according to one of his famous directives. Luis Guerrero, "El Ronco," along with Avellaneda and the interior (or part of it) are remaining in the Azopardo sector, so for now the metallurgical workers will not have a cohesive front.

Example Abroad

In the middle of all this the Inter-American Regional Organization of Workers (ORIT) met in Cuernavaca, Mexico. There Arnaldo Aranda of the mercantile workers performed his duties as vice-president, with full voting rights. A long time ago Aranda decided to "be with the workers, above all," but he belongs to a union that has been involved in CGT-Azopardo from the beginning, and he does not deny that. CGT-Brasil sent Roberto Garcia, another veteran unionist, to Cuernavaca. He was there as an "observer," without voting rights. This was ORIT's way of solving the problem between the two Argentine CGT's, for the present. Many expected new confrontations, but none occurred. On the contrary, the two unionists acted in concert at all times by doing everything "in the name of the Argentine workers movement." That simple. They brought (officially, Aranda brought) the resolutions and recommendations of the ORIT. One of these "proposes the strengthening of free labor organizations linked to political, social and economic democracy (a singular and valuable contribution toward more clearly defining

the Toronto Declaration of the previous year, concerning unions and politics). It also advocates the formation of teams that are duly trained, in terms of labor and ideology, to help create a solid trade union structure in the region (especially Latin America).

Finally, and perhaps this is the most interesting, they brought back a questionnaire "to analyze the foreign debt of the corresponding country, its impact on the labor sector and the opinions of all sectors, in every case." The report will be sent to the ORIT, and thence to the mother organization, the International Conference of Free Trade Union Organizations (ICFTUO), headquartered in Brussels.

The performance of these two unionists can be viewed as an example.

8926

CSO: 3348/84

PAPER RAPS FNM, WHITFIELD FOR POLARIZING NATION

Nassau THE HERALD in English 7 Oct 82 p 1

[Text] THERE IS A STORY told about Cecil Wallace Whitfield when he was a child. He was visiting a drugstore and there was a commodity in that drug store which he could have had. Without being scandalous, suffice it to say that he made his point in that drugstore forcefully enough for it to be repeated in a Bahamian newspaper today.

WE AT THE HERALD were reminded of that story when we saw a headline in the evening daily. The story appeared on October. In it, Mr. Whitfield urged Free National Movement supporters to withdraw their taxes if there was evidence that the Government was discriminating in the use of funds.

THIS IS A NEW DEVELOPMENT in what we see as the march toward confrontationist politics in the The Bahamas. It is clear that the trend of the Free National Movement is to carve out for themselves some kind of political enclave and to act as a nation unto themselves. The trend is a dangerous one.

MR. WHITFIELD AND his colleagues must now begin to ask themselves at what price the nation. In other words, are he and his colleagues prepared to follow at its logical conclusion the price of their siege mentality? If they continue their attempts to polarize the nation on purely political grounds then surely they must be prepared for civil strife of the worst kind.

THERE ARE ALL sorts of straws in the wind from the Free National Movement's direction which suggest that they are willing to carry their siege mentality to its logical conclusion. In short, they would be happy with civil war if that is what it took to win the Government.

CONSIDER THE FACT that they see Freeport as their enclave and that Mr. Whitfield himself is reportedly happy to hear himself described as the Prime Minister of Grand Bahama.

Consider the reports that Maurice Moore, the FNM's man in High Rock, Grand Bahama says the FNM can't wait for five years.

ONE HAS ONLY TO THINK back to the kind of campaign that was run by the FNM in 1972. In 1972, they used actual physical violence to try to intimidate voters.

One FNM supporter and henchman was killed on instructions by two other FNM henchmen.

IN 1982, the FNM used psychological violence accusing PLPs of every scandal under the book, using their influence at the U.S. Embassy to create a climate of hysteria in the country. It is clear, therefore, what the Free National Movement is about.

SOURCES WITHIN the financial community have reported to The Herald that there appears now to be a calculated effort on the part of the FNM to spread rumours about the economy of the country. This is a part of a psychological campaign to frighten Bahamians and foreign investors. The rumours are circulating about the state of the banks, the foreign currency reserves and the Government's ability to meet its bills.

JUST TWO WEEKS AGO the managers of the Canadian Imperial Bank of Commerce felt moved to rumours that the Bank was in trouble. Who started this and where did it come from?

WE WARN THE FREE NATIONAL MOVEMENT that if they are responsible for this latest set of rumours, they are on a dangerous tack. The source tells us that the idea is to force a state of economic crisis so that the PLP will have to go to the country next year.

THE FNM MUST KNOW that there is a price to be paid for instability. Mr. Whitfield must be reminded by his political boss that he is no longer dealing with a commodity in a drug store. This is the real thing. We advise Mr. Isaacs, who has a reputation for being level-headed, to give the Queen's Counsel wisely. Otherwise the price of civil war may be much more than the FNM or Mr. Isaacs is willing to pay. Believe it or not.

CSO: 3298/086

BRIEFS

U.S. ENVOY APPOINTMENT--WORD HAS REACHED The Herald of the appointment of a new U.S. Ambassador after two years without one. The Governor of The Bahamas has apparently accepted the name of one Leo Dubrianski, a specialist in Soviet Affairs and Professor at George Town University in Washington, D.C. The new man must now be nominated in the U.S. Senate and if he is confirmed during the Congressional lame duck session he would take up his post early next year. This is the second such specialist in East European Affairs to be appointed an Ambassador in the Caribbean. The U.S. Ambassador for Jamaica was just announced in August. Ambassador William Hewitt, formerly of the International Harvest Company in Illinois, is also said to be somewhat of a specialist on East Europe. What we're trying to figure out is why U.S. President Reagan has made this choice. It is because he wants to protect the growth of right wing conservatism or does he think we're going communist or are we too independent or what? The new man is said by sources in the State Department to have good, solid conservative credentials, although he is not personally close to the U.S. President. He is also a former colleague of the U.S. Ambassador to the United Nations Jean Kirkpatrick. They used to teach together at George Town. [Nassau THE HERALD in English 21 Oct 82 p 1]

CSO: 3298/086

BRIEFS

BANANA DEVELOPMENT LOAN--Trinidad and Tobago has granted a \$1-million loan to the Government of Belize for the further development and improvement of 4,000 acres of banana plantations. The loan was made available under Trinidad and Tobago's Caribbean aid project, which provides technical and financial assistance to Caribbean member states. The loan is in addition to a \$12.2-million loan to the Government of Belize from the Commonwealth Development Corporation and the Caribbean Development Bank for the banana industry. [FL121359 Belize City Domestic Service in English 0100 GMT 12 Nov 82 FL]

CSO: 3298/1142

RIO GUBERNATORIAL CANDIDATE BRIZOLA ON POLITICAL PROCESS

Brasilia CORREIO BRAZILIENSE in Portuguese 24 Oct 82 p 6

[Interview with PDT candidate for governor of Rio de Janeiro, Leonel Brizola; in Rio, date not given]

[Text] "I am certain that, if elected, I am going to be a very constructive factor for the process of democratic reconstruction; perhaps like no other governor. Not only because of what Rio de Janeiro represents in the overall federation, but also because no other governor will bear witness to the liberalization process as I will; including at the international level."

Those statements by the Democratic Workers Party (PDT) candidate for the governorship of Rio de Janeiro, Leonel Brizola, to reporter Marcene Formiga, in response to the question: "Would Leonel Brizola be an obstacle to the political process?" are part of the long interview published below. And Brizola not only replied to that question but made it a point to explain that he is not a revanchist and that no one should expect contrary attitudes from him if he is elected.

"The Brazilian people are not concerned about revanchism. They do not want to live in terms of the past. In my personal case, revanchism is a word that does not exist in my dictionary. I am not a revanchist; I do not harbor that feeling and I hope that, if elected, my relations with the president, with the authorities at all levels, will be relations of mutual respect and consideration, of collaboration."

The rest of Brizola's thinking is found in the exclusive interview with CORREIO BRAZILIENSE, which follows:

[Question] President Figueiredo has already termed this type of question imbecilic, but it is worth repeating: If Leonel Brizola wins, will he be installed?

[Answer] I believe that with that reply, which he gave in Natal, the president assumed a constructive position; positive for the construction of democracy. And his reaction was understandable because he is committed to democracy. And all of what is being done would be inconsistent without fulfillment of the rules. The president's attitude was positive for the construction of democracy.

The nation did not expect and does not expect any other attitude from him. And a certain indignation is understandable, is it not? Finally, it would be an outrage, even of international proportions, if everything was being done and then did not count. In any case, his reaffirmation was opportune. That is so true that right now in Rio de Janeiro we are hearing some voices raising suspicion, doubts, regarding the installation of those elected, in connection with the continuity of the liberalization process; voices, of course, that are suspect. They reflect more an attitude of desperation; from people who are part of the process. What is regrettable is that many of those voices are calling themselves oppositionists.

[Question] Very well, if candidate Leonel Brizola wins, it will carry. Now, there is another question: What will be the relationship of Governor Leonel with Planalto Palace beginning in March 1983?

[Answer] In the first place, I am only a candidate. If the people decide on my behalf, grant me that office, that confidence, and consequently I assume the governorship of Rio de Janeiro tomorrow, I expect everything to proceed normally and in that hope that must serve as inspiration for the future, that must inspire all of us. I do not have any great concern about my relationship with the federal government...

(When the Opala that Brizola was riding was entering the Flamengo Embankment, it was intercepted by a Fusca with two "gauchos" [natives of Rio Grande do Sul] who were blowing the horn and turning on the signal lights, asking him to stop. One of them got out of the car and went shouting: "Brizola, we are going to hitch the horse to the obelisk once again." And Brizola, taking a key-ring with his name on it out of his pocket, ordered his car to stop, got off and embraced his countrymen: "That's right, 'che,' and we are going to govern together." The lane almost became jammed because other drivers, seeing Brizola, also stopped to embrace him.)

[Question] And Figueiredo's outstretched hand, what do you think? Is it only a figure of speech or is there sincerity in his gesture?

(When the question was asked, the car was still in the middle of the small bottleneck, Brizola was nodding to the people who were shouting his name. He paused, perhaps surprised at the question, and began to answer slowly.)

[Answer] Look, I hope that if elected, my relations with the president, with the authorities at all levels, will be relations of mutual respect and consideration, of collaboration. We, who occupy public office, must not live in terms of prejudgment, with our possible conceits or preferences, but rather must live to assume and deal with the public interest. And in that area, it is those values that must prevail.

[Question] You have not yet answered the question. The gesture of the outstretched hand, is it a figure of speech or sincere?

(Raising the index finger of his left hand, suggesting patience, he replied immediately):

It is; the president has used that expression. Naturally, that must be counted as a figure of speech but it has an inherent content. The president wanted to signify that he was ready for dialog, the readiness of everyone. Naturally, we should not expect automatic effects from that attitude of the president's. Everything is going to depend on the development of the liberalization process.

[Question] So the outstretchnd hand may be reciprocated by you?

[Answer] Tomorrow, in the capacity of governor, if that should occur, as we hope, I am convinced that I will not have any difficulties or inhibitions for the constructive and necessary dialog that I would have with the president of the republic.

[Question] How do you view those statements by some sectors of the opposition, calling for revanche? Can that not be harmful to the development of the political process?

(He wrinkles his forehead, indicating that it is a subject that worries him.)

[Answer] That is an aftermath, an aftermath that must not be very widespread. We would even say that it will be contained within the proper portions. The Brazilian people are not concerned about revanchism. They do not want to live in terms of the past. And I will tell you more: I have felt that for our people, the past is history and as such we need it as sources of lessons and teachings, always viewed with critical analysis. The people are ahead in the matter of ideas about our country and the so-called elites; mainly in relation to the politicians, whom many analysts consider bankrupt. The Brazilian people want a solution. That is what concerns them. It is obvious that the lessons of the past are very important for that.

[Question] What lesson, for example?

[Answer] Ah, you want an example? For example, those who in 18 years did not give them a solution obviously do not represent any hope for those people. This does not mean revanchism. Quite the contrary, but a very correct lesson of what the future can be. In my personal case, revanchism does not exist in my dictionary. It is like slum clearance. Just as there are other words that are not in my dictionary.

[Question] What words are those, governor?

[Answer] Ah, I could mention many. Let it go...We are going to talk about that business of revanchism. Because I am not a revanchist; I do not harbor that feeling. Do you want to know why?

[Question] I do.

(He settles himself in the seat and replies, always raising and lowering his hand measuredly.)

[Answer] That attitude was always part of my upbringing. Ever since I was a child, you know. When I was 1 year old and an armistice had already been signed, consequently the peace of the 1922 revolution in Rio Grande, my father, who had been active on the side of the rebels, was returning home in the midst of the demobilization. He was a farmer who had joined the forces that fought against the government. A wave of repression was launched by the government against many of those who had participated in the revolution, who were murdered in many parts of Rio Grande do Sul. And my father was one of those murdered. My mother, a farmer, an extraordinary woman, raised all the children, always repeating daily: "no revenge, no revenge." Or saying, "We are going to look ahead." That did not occur with other families and those families were exterminated, regrettably. They chose revenge and reprisal and thus were exterminated...So much so that I reached the point of being governor of Rio Grande and the individuals who participated in that episode were alive there and I never even took the action of charging a university group, for example, with researching that sad episode....

(Already on the Rio-Niteroi bridge, he is again interrupted by drivers who blow their horns and shout: "Brizola, Brizola ahead." In addition to making a "thumbs up" sign, he replies, "That's right, comrade. Let's fight." Resuming the interview, he gives his explanation for the frequent expressions of support in the middle of the traffic).

[Answer] All this that you are seeing, you know, all that is a reaction against that mass of paid material against me. You do not see a poster of mine; you do not see anything in the streets. You do not see a billboard because my campaign is poor. It does not have colored paper posted anywhere. So it was the people themselves who decided on the punishment. They felt assailed by the flood of campaign publicity and undertook to confront it, isn't that true? A real confrontation, a legitimate confrontation because the adversaries were present. And now, in the face of that mass of publicity, of paid, aggressive, abusive material, the people feel even more assailed and are reacting. They are going to react more. Look, in view of that campaign that is made against me, you can't imagine how much solidarity I have received, by telephone, or people who seek me out to express it with all sincerity. Many good people, many prominent people, writers, intellectuals. Even today, before we left the house, I had to answer several phone calls from those people who were taking a position in view of those materials that are being published against me.

[Question] Is it true that after you win Guanabara Palace, you plan next year to transform the PDT into an openly proclaimed socialist party?

[Answer] In principle, no. What we plan to do after the elections are over and, consequently, know who is who, is to assume the position of convening a meeting, a sort of congress of all parties and personalities of socialist and democratic orientation to a discussion, a wide discussion. And we are going to debate the possibility of unification. We are going to take the initiative of inviting the Workers Party, personalities such as Fernando Henrique Cardoso; and so many others, for the opening of a discussion with a view to our assuming democratic socialism more vigorously in Brazil. And if out of that emerges the

decision for us all to unify around a single party, which the circumstances may advise, it is a matter to be examined. In principle, our party label expresses our doctrine perfectly. We continue to be laborite and that capital "C" in democratic very legitimately describes our movement. It is a label that does not have the charisma of the old Brazilian Labor Party (PTB) but it has content and its assertion is a matter of time.

[Question] There is much talk about the convocation of a Constituent Assembly. Does the PDT have some formula that will make constitutional reform feasible?

[Answer] Obviously, we are in favor of a Constituent Assembly. We believe that it will be necessary first to create a favorable, propitious, climate that will permit the representativeness of the Brazilian people. At present, for example, a Constituent Assembly would be debased because of the current impasses that characterize national life. For a decision of that nature to come from the Brazilian people, the existence of an atmosphere of complete freedom is essential. And, above all, without the influence of distorting factors such as economic power, the presence, the influence of foreign capital and with legislation such that it will enable even the poorest, most deprived levels of the population to express their will, making a real choice. I believe that a Constituent Assembly will give Brazil a stable, democratic order, the construction of a state of democratic and social law, but there are some assumptions to be removed, to be faced. I believe that the massive presence of foreign capital, of the internationalization of the Brazilian economy, has created really unwholesome situations because that is a situation that is imposed by the economic model; and this economic model is deforming. The Brazilian people will never legitimize it with their vote.

We are faced with an impasse: that economic model, only with authoritarianism...

[Question] What is the solution, then?

[Answer] I mean, authoritarianism and the economic model are siamese twins; one lives in terms of the other. So it is necessary to advance in the political liberalization process, to question all that, until the Brazilian people themselves can assume the role of leaders of their own destiny. All of that appears to be subjective but it is not. It is necessary to advance, to establish an atmosphere of free discussion.

[Question] And what do you think about a parliamentary system, which has also been mentioned as a solution, the most viable alternative?

[Answer] I believe that establishing the bases for a choice between parliamentarism and presidentialism is an unimportant discussion. A democratic order can be established in either of those systems. I, personally, have an affinity for parliamentarism, and incidentally it is through the parliamentary system that the European nations are making very important advances in the direction of structuring society.

[Question] This year the people are voting in a direct election for governor. When will they vote for the president of the republic?

[Answer] The country is moving toward a direct election for president of the republic. It would be a national disappointment if that did not occur...

(At the bridge toll-booth, when the car stopped, a highway patrolman telegraphed a smile to Brizola, who answered with a nod.)

[Question] It appears that you have the sympathy of a sector of the security forces. A question is now in order: Do you believe that the time has come for the military to return to their barracks?

[Answer] Brazilian society, all of us, are witnessing the fact that there is a tendency for the armed forces to reassume their normal, legitimate and constitutional functions. I have always said that our role, the civilians, especially those who have some political responsibility, is to stimulate that tendency. And that will mean normalcy because a nation of 130 million inhabitants cannot be under the tutelage of anyone, just as no one can be excluded from the whole of the nation. Each one in his specific function, his specific function of responsibility. That is my vision. If I should become governor tomorrow, let no one, much less any member of the armed forces, expect contrary attitudes from me. I hope that in an atmosphere of mutual consideration, we will get to work in collaboration. Not only the military structures and services of Rio de Janeiro need good public services, but also all of their members, like all citizens. And that is going to be my role: to conduct a modern, efficient administration that corresponds to the expectations of the people.

[Question] In other words, Leonel Brizola is not an obstacle to the political process?

[Answer] Quite the contrary. I am certain that I am going to be a very constructive factor for the process of democratic reconstruction; perhaps like no other governor. First, because of what Rio de Janeiro represents in the overall federation; second, because no other governor will bear witness to the liberalization process as I will; including at the level of world public opinion.

[Question] How will Rio be, governed by Brizola?

[Answer] This government elected now will have a very important institutional mission for Rio de Janeiro. And for that purpose, it will need everybody. It would be unfortunate if these attacks were to cause unsurmountable situations tomorrow. Even so, withstanding limitations, we will have to respond to all of them together.

[Question] Yes, but how will a socialized Rio be?

[Answer] We nurture a socialist, democratic vision, and in our daily routine we will always have to be socialist-oriented. Tomorrow in the state government, we will work within the limits of our authority with one direction. That is what is going to characterize our performance as a party of citizens who nurture

a socialist vision for Brazilian life. For example, we will seek to redirect all resources in the direction of serving the human being, in the direction of benefiting the human being. We will do everything to organize the people in the context of a social inspiration. In the interior, we are going to cooperativize the producers, unionize the workers, leading them as much as possible to have direct contact with the consumers, also organized. When we promote schooling, medical-dental care, guaranteeing food for the children of Rio de Janeiro, we will be working for the human being. Socialism is not made by decree or overnight; it is a practice, which in our specific case will have to be adapted.

[Question] Is Brazil already politically mature enough for a socialist experiment?

[Answer] It is difficult to answer that question. What I consider realistic for our country is to open up a discussion. We are certain Brazil will not succeed in overcoming the current impasses, which are becoming aggravated from day to day without a democratic regime of a profoundly socialist nature. I mean, by the roads socialism in freedom.

[Question] Only one more question: Is the firebrand of the past the good fireman of the present?

(He cannot reply, the motorcade had just arrived at Santa Luzia Square in Sao Goncalo and a crowd pulled him out of the car, carrying him in their arms to the stand but he was still able to smile, repeating the same gesture indicating something positive.)

Gaúcho Hitches the Horse to the Obelisk Again

Anyone who has been in or goes to Rio can attest to the impressive proportions that the candidacy of Leonel Brizola for the state governorship has assumed. From the taxi driver to the maitre d'hotel, the tavern owner, and the civil servants who gather every afternoon in Machado Square or walk along Cinelandia, preference for the PDT candidate is not hidden, on the contrary, it is expressed with the same spontaneity as the youths in lower Leblon parade in white shirts bearing the Brizola logo (the Z being the scratch used to identify the justice-seeker disguised as "Zorro" [fox]).

A significant detail: unlike the other candidates, Brizola's shirts are not distributed but bought and in demand by his voters.

In Rio today, there is no doubt that the "gaúcho" is going to hitch the horse to the obelisk once again. The horse is already saddled, he is holding the reins firmly and is now riding toward the obelisk....

Previously, nobody believed in him or in the PDT. He was going to contend with Lysaneas Maciel for last place. Suddenly, he took off (his fellow party members usually compare the PDT with an old car that will not start but once it takes off nobody can keep up with it). In view of the possibility of his victory, considered certain, unless there is an earthquake or a flood, his installation began to be questioned.

With that question having been clarified by President Figueiredo himself, guaranteeing his installation, the story is beginning to spread in Rio that an uncontrollable draining of the state administration will be effected from Brasilia, and there are even those who raise the possibility of impeachment immediately after the beginning of his administration.

But he follows all of that with undisguised indifference, responding with more emphasis in the campaign. Despite the result of the polls, the popular demonstrations, Brizola is not taking it as "in the bag," and plans to work without respite until the 13th (he sleeps only 4 hours a day and makes dozens of speeches, in the afternoon and at night).

Indifferent and superior, he only laments the low level of the campaign, characterized by the personal attacks of which he has been the target by his adversaries. "They are not fighting ideas but persons and they use abuse and slander as weapons."

Praising President Figueiredo for the reply he gave, guaranteeing his installation, he is ready for dialog and does not believe in a "short-circuit" of relations between Guanabara [Rio governor's palace] and Planalto [presidential palace] after March. "I will not have any difficulty or inhibition for dialog," he stressed.

And, as he warns, no one should expect contrary measures from him. The firebrand of the past is an efficient fireman today, prepared to put out all the flames that could compromise the democracy under construction.

For that reason, Brizola believes that his installation will lend international credibility (so much so that his friends Mitterrand, Willy Brandt and Mario Soares, accompany the development of his campaign by telephone with the greatest interest) to the plan for a return to institutional normalcy. Once he is elected, early next year he will tour the main European countries to demonstrate that Brazil has already built the bases for a democratic regime.

Today the international economic community itself is following with great interest the result of the elections in Rio de Janeiro much more so than that in Sao Paulo, because Brizola's victory and installation represent a factor of political stability.

Leaving from his apartment on the seventh floor of a building on Atlantica Avenue, a reporter and photographer for CORREIO BRAZILIENSE accompanied the PDT candidate for 1 day. It was a busy day in which during the drive from Rio to the municipality of Sao Goncalo, the car that carried them had to stop numerous times because drivers, after identifying the passenger in the front seat, wanted to embrace him. (When they were getting in the car, the photographer Marcos Oliveira, opened the front door to enter but Brizola protested politely: "That is my place, beside the driver." And the photographer observed: "But when you become governor, you will have to go in the back seat, according to protocol." Brizola said, no: "When I was governor of Rio Grande do Sul, this is the only way I traveled and I am not going to change, comrade.")

The interview had to be granted between trips in the long marathon he had to complete, attending five rallies.

What Brizola says at those rallies depends on the people and the place. There the language, the topics and even the intonation of the voice varies. If he speaks in Ipanema, the speech has political substance. In a slum, he might pick up a black child in his arms and promise that his colored brethren will also participate in his administration, "in a country where you do not see a black minister, a black governor."

In a district near Itaipu, an area dominated by Chagas followers, he used direct language: "I do not carry a sack of trinkets, promising to send machines, pave streets. No, comrades, I do not do that. Because that is the obligation of whoever is at the head of public administration, you see. The honest governments do not need to do that. And I say more, comrades. You can elect a PDT mayor without worry. It is preferable that you do not vote for me if you do not vote for some of my comrades. But I will pledge for them; I, Leonel Brizola, promise that our mayors, our administrators are not going to remain with starched collars in air-conditioned offices. And when you need to speak with them, you do not need to go looking for them; it is enough to let them know and they will go to your house."

A little later, Roberto Saturnino, who is running for reelection to the senate, announced Brizola as candidate for the presidency of the republic and the thousands of people present at the rally, deliriously carried him in their arms.

Thus, it is Leonel Brizola who makes it a point not to harbor hatred, bitterness, any type of resentment; who rejects revanchism and cites the lesson he learned from his own mother when his father, a farmer, was murdered for political reasons.

"That does not build, isn't that right, comrade?"

8711

CSO: 3342/19

'LATIN AMERICA DAILY POST' ANALYZES ELECTION RESULTS

PY212101 Rio de Janeiro LATIN AMERICA DAILY POST in English 21/22 Nov 82 p 4

[Editorial: "Election Results"]

[Text] Now that most of the votes, or at least a lot of them, have been counted and many of the thousands of races decided from Monday's elections, it is time to analyze the results.

As we wrote previously, the Nov. 15 elections had great historical merit and the great majority of the voters took them very seriously. The number of nullified votes was well under pre-election estimates, and that showed that civic responsibility has definitively been implanted in the consciousness of the voting public.

The overall trend, nationwide, which gave the government's PDS [Social Democratic Party] control of the National Congress and also the control of the majority of the statehouses, would indicate that Brazilians voted with a natural, perhaps inherent, conservatism. Candidates ranging from socialists to rightists were freely on the ballots. The choice was up to the voters and they went, for the most part, for the existing system.

Even in the states where the opposition parties won, there really were not "revolutionary" results. Franco Montoro of the PMDB [Brazilian Democratic Mobilization Party] in Sao Paulo is no radical. He is a well-known political entity who has been elected over and over for office. The newly-formed Workers Party, the PT, which did offer a radical alternative to the existing system, did much worse than was expected, even [in] the ABC area of Sao Paulo where the movement was founded. Voters were reluctant to choose Lula, a relatively unknown quantity, over the experience of Montoro.

In Rio de Janeiro, where the PDT's [Democratic Labor Party] Leonel Brizola was still expected to win a narrow victory, the pundits explain that the state always has had opposition politicians winning the elections. Governor Chagas Freitas, after all, is of the opposition PMDB party and he is almost indistinguishable from any of the PDS candidates. Brizola, it turns out, was simply the most "opposition" of any of the major candidates, and the irreverent Cariocas decided

to ignore his anarchical past and vote for him. Even so, the PDS candidate, Moreira Franco, did much better than one might have expected, showing that even in Rio there lurks a basic conservative undercurrent.

What the elections did was give rise to national confidence that no one needs to fear that representational democracy will produce wild results here. Anybody who argues that the Brazilian people are not yet prepared to vote should be roundly booed. The feedback from the armed forces has been positive. The results for the government point of view have been gratifying. The results for the moderate opposition also have been gratifying. The possibilities for the other opposition parties to organize their political futures in a better manner also gives them cause of hope and trust.

CSO: 3300/5

SAO PAULO'S MONTORO GIVES ELECTION VICTORY SPEECH

PY171637 Sao Paulo Radio Bandeirantes Network in Portuguese 1429 GMT 17 Nov 82

[Speech by Sao Paulo apparent governor-elect Franco Montoro from Legislative Assembly Building in Sao Paulo--live]

[Text] [Station begins relay in progress] Workers, housewives, youths, retirees and those in the most impoverished municipalities in the interior, in short, of all citizens who hope for a more just and humane Brazil.

The victory of the people is a victory of democracy, of my party, the PMDB, the Brazilian Democratic Mobilization Party, and of the campaign carried out by its rank-and-file throughout the 572 state municipalities and the 54 districts in the capital. This campaign was characterized by a clear democratic message, extensive debate of government proposals and by the generous dedication of its militants.

With the support of the PMDB, I want to govern all those who live and work in Sao Paulo. My administration will represent the Sao Paulo civilian population and will be a tool to build democracy in Brazil.

We will govern without hatred, without looking back and without vengeful feelings. Our only commitment is to change and to replace the abuse of power with democracy.

We will govern aware that feelings of [word indistinct] and defeat should not separate those Brazilians who are sincerely determined to achieve a representative and just democracy.

The guidelines are established in the proposal I submitted during my candidacy. Today, with the full support of the people of Sao Paulo, I reassert this proposal. The decentralization of power and of the economy, and the participation of all social sectors in the decisionmaking process will be characteristics of my administration.

We must bring back dignity to the Sao Paulo executive branch which has been [word indistinct] by authoritative government methods, by squandering and corruption.

We must achieve the political, economic and moral reorganization of the state of Sao Paulo.

Our's will be an austere administration. There will be other government priorities. We shall promote the creation of jobs and attend to the demands of the forgotten social sectors.

This revision of priorities, in addition to the administration's high moral standards and the effective use of public resources will be essential to adjust the Sao Paulo government activity to the serious economic crisis the country is experiencing.

With the power that has been legitimately entrusted to us by the people of Sao Paulo, we will conduct our relation with the federal government on the basis of dignity, public spirit and respect for reciprocal legal obligations.

I remind you that an economically feasible and socially just national development rate cannot even be thought of without safeguarding the well-being of Sao Paulo's economy or its population.

I cannot end this speech without praising the electoral courts for the manner in which they conducted the election and without praising the mass media, which despite legal restrictions contributed greatly to [word indistinct] ideas and objectives.

The people have made their choice. The process of change has started with the 15 November elections. We shall not disappoint the will of the people of Sao Paulo. [applause] [shouts of Montoro, Montoro]

CSO: 3342/30

INTERVIEW WITH CAMILO PENA, INDUSTRY, COMMERCE MINISTER

PY221649 Sao Paulo FOLHA DE SAO PAULO in Portuguese 7 Nov 82 p 35

[Interview with Camilo Pena, industry and commerce minister, by FOLHA DE SAO PAULO reporters Aloysio Biondi and Teodoro G. Meissner; date not specified]

[Text] FOLHA: The latest document issued by the National Monetary Council [CMN], which defines the strategy that Brazil will follow in its commercial dealings with foreign countries, involves a significant shift in the previous policy. The policy defended the contracting of foreign loans, which were regarded as a positive factor for development, and so forth. The CMN document seems to state clearly that the government admits today that foreign indebtedness may be also harmful, that foreign indebtedness has turned into the main factor ruling the country's management and that it is necessary to free the country from that excessive dependence. What is your opinion of that and what are the consequences that this shift may bring to the Brazilian society?

Camilo: The problem of right and wrong is a very complex philosophical problem. As far as I know, the government has never stated that foreign indebtedness was either good or bad. The government resorted to foreign credits under the impact of the first oil crisis, and also during the second oil crisis, when interest rates were low and there was a considerable credit supply. It was an opportunity the Brazilian Government, or the Brazilian people, took advantage of for contracting loans to cover oil expenses and other expenditures. It is a gross mistake to believe that those loans were earmarked for large government projects.

The country took advantage of that opportunity to pay trade deficits, deficits in the balance on goods and services and the corresponding interest. It is contended that foreign loans were earmarked for the large government projects started during the Geisel administration. But, actually, loans have not been contracted for building large projects. Whoever contracts a loan can only use it to buy goods abroad or to accumulate reserves. Projects result from a triangular operation involving commercial deficit. Indebtedness does not arise from either Itaipu, Acominas [Minas Gerais Steel Company] or the Steel Railway [Ferrovia do Aco]. It arises from commercial deficit. Large projects have actually been the guarantee for loans, which were contracted for covering the trade deficit resulting mainly from the oil account.

FOLHA: Anyway, the CMN has changed the indebtedness policy....

Camilo: Those large projects were expected to generate enough income to service the debt. For some time now, it has been understood that it is wrong to think that servicing the debts amounts to adding payments on principal and interest. And this is explained by the CMN report. Whoever adds payments on principal and interest is adding apples and oranges. Amortization means principal. Interest means expenditure. That wrong concept or attitude has led Brazil, in the past few years, to refinance interest, in addition to refinancing amortization. The debt grows because of the interest (say 15 percent annually). If the GNP grows by 5 or 6 percent a year, the situation becomes unsustainable. On the other hand, it is clear that both bankers and borrowers expect that the area for which a loan is earmarked will generate at least enough income to pay interest. Otherwise, the investment would not have been the most advantageous one. The CMN made a decision which was worked out during the Figueiredo administration: Interest will not be refinanced. Brazil still believes that foreign credit is good for financing capital, but it has decided that interest will no longer be refinanced. A program providing for commercial surplus, which will start the process of paying interest, has been formulated on the basis of broad consultations, which covered even the international area. The situation is so serious that it is no longer a matter of mere estimates or good wishes. The \$6 billion surplus for 1983 is considered a national need. It is not a goal, but a political decision by President Joao Figueiredo.

FOLHA: Does that mean that there will be a surplus no matter what international trade circumstances may prevail?

Camilo: Yes, unless the unpredictable happens.

FOLHA: In fact that indebtedness is not delaying the ability to pay. The thing is that it is no longer capital permitting an X rate of growth yielding an additional income to allow its repayment. At any rate, the decision was late in coming because we all knew that we were not growing in proportion to the service of the debt, that we were not in the position to repay.

Camilo: I may perhaps explain why, in your view, that decision was late in coming. The ministers in Brasilia believed that the 15 to 20 percent yearly interest rate contained a strong inflationary factor tied to the dollar and that, consequently, that factor would also be present in Brazilian exports as a compensation. But this did not turn out to be so because Brazilian exports did not go up along with the external inflation rates. This means that export prices were not raised on the basis of external inflation rates. The best thing that could be obtained was for coffee to maintain its nominal price: It did not keep up with inflation but it did not drop either. Other products, however, lost their nominal value or went up by less than the external inflation rate, whether due to supply and demand problems in the international market, to speculative maneuvers, or due to reduction in stocks. The real truth is that Brazil lost in the international terms of trade. The products it bought went up with the external inflation rate while those it sold did not. This created a gap. Only 1 or 2 years later it became clear that there was a loss in the terms of trade, and that we should have grown at 15 percent per year, not 5 percent. It is now necessary to do away with that delay.

FOLHA: Does doing away with that delay mean reducing the standard of living of Brazilians?

Camilo: Three years ago I used to talk a lot about waste, consumerism, a lack of realism, the idea of an oasis in a troubled world. The fact that Brazil failed to understand the oil price increase as an external tax and to take measures accordingly resulted in some lavishness in the Brazilian way of life. That is what happened and we have to take it as a fact of life. The past cannot be changed. It can be studied. The future can be changed. These lessons led to the CMN decision.

FOLHA: There is a great statistical delusion in that story about the deterioration in the terms of trade. Deterioration occurred with regard to commodities, but not with manufactured goods. We stopped exporting cars and we are exporting shoes and textiles with a lower unit value.

Camilo: Commodities represent 45 percent of our exports and a loss in the terms of trade can be clearly quantified on them. In miscellaneous products such as steel and orange juice there was a loss also. With cars and television sets it is more difficult to compare, but even if there were no loss, it did not rise with the average external inflation rates. Things we purchased clearly had higher prices. There was then a loss in the terms of trade during the last 2 years: from 20 to 30 percent in commodities; from 10 to 20 percent in manufactured goods; and there seems to have been losses with other goods.

FOLHA: I insist on one point that has not yet been clarified, Minister. What impact will the decision not to refinance interest rates have on society?

Camilo: Surplus can be obtained exporting more or importing less. We have to export more added-value, more quality. There are external factors such as the decline of foreign interest rates from 16 to 12 percent--a 30 percent [as published] drop--which may lead to replenishing stocks of commodities that are priced very low, some of them even below production cost. We are sure of this and we have already been consulted by many large purchasers. There will be improvement in the value of exports. Brazil is launching some new projects and will be able to make additional export offers. We deplore the fact that a great deal of the problem lies with the question of fixed and variable costs. We could be in a better position in the international market by separating fixed cost from variable cost. For instance, if we consider labor as a fixed cost, there is a margin to increase exports which is not spelled out in the CMN document because it is not advisable to be too specific in order not to invite external retaliations.

FOLHA: What does considering labor as a fixed cost imply?

Camilo: GATT rules allow for social-law deductions in the question of subsidies. Labor can be allowed as a fixed cost substituting current subsidies that will be eliminated and which could eventually be substituted by things that could be included in fixed costs. So Brasilia believes that there are possibilities to increase exports in 1983 and to have a surplus of more than

\$6 billion. The ideal would be to have a \$10 billion trade surplus to avoid the need for refinancing any segment of the interest rates.

FOLHA: But there will be a great reduction of imports anyway. How will that affect the lives of Brazilians?

Camilo: There are great possibilities also in the area of reducing imports without hurting the lives of Brazilians. Some imports will be automatically reduced in the wake of investments now in progress or already providing services, such as the alcohol production program, the fertilizers production program, the Caraiiba metals, aluminum and steel production. There is a number of projects for production of basic materials which were drawn up just for export substitution, and they are developing gradually. This way we already have \$1.5 billion on hand. With current exchange rates, there are many Brazilian imports that are not internally competitive. With the foreign debt amounting to \$70 to \$80 billion, interest rates standing at 15 percent, and political decision made not to refinance interest rates, import substitutes become competitive compared with other parameters in the form of a shadow value [given in English]. This shadow value makes them competitive, more so by taking into account domestically available factors of which accounting is made financially but not socially. There is idle capacity in factories and there is available labor which can be mobilized. Then there is no doubt we can easily substitute another \$1.5 billion even considering 10 to 20 percent of shadow value for purposes of competition. We can then approve a series of projects for import substitution which are already being [several words indistinct] businessmen.

Camilo: They involve some entrepreneurial and commercial strategy and I would not like to give details in advance. They will be made public in a few more days.

FOLHA: So far we have saved \$3 billion. Where will we get the rest to make up the \$6 billion set by the CMN?

Camilo: Perhaps we already have \$4 billion if we include another \$1 billion from additional exports. For the remaining \$2 billion, alcohol and oil will contribute at least \$500 million. For the purchase of coal we are going to use credits in countries indebted to Brazil in nonconvertible currency, and we will do the same with other products. It can thus be seen that obtaining \$4 to \$5 billion will not hurt too much. On the contrary, they will create new opportunities for using internally available factors--including employment--and for growth. This will compensate for the other \$1 billion of imports we will cut back. It will hinder some process, it will create difficulties, but it all will be compensated by other factors. In the worst case, one thing will cancel the other. We are not expecting that the CMN measures will create major problems in macroeconomic terms. These measures bring changes and call for adjustments in the process, changes and adjustments that are necessary for the sake of economic realism.

FOLHA: In short, won't we have more recession?

Camilo: What can eventually aggravate the process is not the external account, but the fight against inflation. Fighting inflation is a more difficult aspect in terms of growth, recession or depression or whatever. But this is another matter which is not on our agenda.

FOLHA: But Finance Minister Ernane Galveas has said that the government intends to bring this year's 95 percent inflation down to 70 percent in 1983. What do those 25 percent points reduction mean in social terms?

Camilo: Seventy percent...I would say that the things that we talked about so far are priority decisions. Next comes inflation as an objective, a goal, an effort, a wish, not as decision necessarily. President Figueiredo is very concerned about social harmony, about employment. He is intent on reducing the interest rates account and wishes to bring down internal inflation. These are somewhat different aspects. The watchword for 1983 and 1984 is not austerity, because austerity evokes the presence of shadows in a country of light and sunshine like Brazil which is not interested in shadows. The watchwords are productivity and external competitiveness.

FOLHA: The Brazilian situation will not be aggravated then?

Camilo: The way I understand it, productivity is not producing more per hectare. It is producing at the smallest final cost, taking into account real costs and the accumulation of savings. Savings are not exactly a reduction in consumption. You cannot consume less than necessary to live on or, if you will, maintain a standard of living. Saving also means to produce more, to produce with more productivity and to consume with less waste. If our bottleneck is represented by the money coming from outside, all economic policy decisions will have to pass a test to determine whether a decision improves or reduces our external competitiveness. If a decision leads to increasing it, then fine; if not, the decision must not be adopted.

FOLHA: That is to say that the economic policy will be dictated from outside the country.

Camilo: If we were a self-sufficient country, but we are not.... If the nation wants to free itself of that external burden, it henceforth will have to adopt measures considering that it is not self-sufficient and will have to adopt any measure in the light of competitiveness abroad. Productivity is then greatly relevant to internal well-being and to the improvement of the masses' standard of living.

FOLHA: Is that thinking the consensus in Brasilia?

Camilo: It is my consensus, and I believe it is largely believed in Brasilia. Minister Delfim Neto certainly thinks so.

FOLHA: I believe there are radical changes on the scene: We will administer imports, we will launch an imports reduction program taking into account not only the economic aspect.... As the program has been presented so far, it is not the same as that of 1981 when there was a slowdown that hit the economy

as a whole. Now each problem will be administered in a specific manner, and we agree on that. I would raise the question of the ability to compete abroad. If we are going to substitute imports not on economic considerations alone....

Camilo: Your observation is quite correct, very correct and an intelligent one. But the concept of shadow value is also present in exports, in the light of what are considered available factors: in terms of social accounting, zero cost factors. The most specific example would be that of hydroelectric energy with water running through a dam. The additional cost of generating that energy is zero for society; it might not be so for the owner of the dam. Those factors will have to be mobilized in the process, and they will be mobilized.

FOLHA: But my question is what would be the reaction abroad?

Camilo: There we arrive at the most important point, and that is somewhat forgotten. The developing countries have debts on the order of \$550 billion with the developed countries. There is fear that the international financial system will collapse, with defaults by debtor countries or difficulties for them to cover obligations stemming from such a hefty foreign debt. That fear was aggravated by the recent cases of Poland, Mexico and Argentina. People and analysts for international creditors have forgotten that such indebtedness resulted first from the recycling of petrodollars and Eurodollars, which resolved the serious problem of international financial stability. That is to say that the borrowing countries contributed to resolve the serious international financial imbalance. If there had been no borrowers, there would have been an extremely serious international collapse. The borrowers then rendered a great service. Furthermore, that indebtedness did not stem only from the purchase of oil, but from other purchases developing countries made from developed countries. Then there were also the spread rates and the commissions on the petrodollars lent by the developed countries. During that period, that debt--which today stands at \$550 billions--served as an important growth agent for the developed world. To a large extent that indebtedness supported the economic and political stability of the developed countries during the past 7 or 8 years. When we reach the level of \$550 billion in foreign debt with annual interest service on the order of \$60 billion, it is simple to deduce that for the debtor countries to be able to pay that interest, they would have to have a \$60 billion trade surplus per year in their sales to the developed countries. This is the only way the creditor countries will receive the \$60 billion in yearly interest owed to them. There is no other way, since none of the debtor countries issues hard currency to pay with. Therefore, either the creditor countries provide the conditions for the debtor countries to have a \$60-billion trade surplus per year, or there will be a collapse. This has been forgotten because the financial problem has been separated from the trade problem, because the bankers doing the lending are not the same as the businessmen making transactions, because there is a finance minister on the one hand and a commerce minister on the other and they do not meet, they do not talk. But the problems are not compartmentalized, they are closely interconnected.

FOLHA: How do you think the developed countries will receive the way you lay out the problem, considering that they have so many protective measures?

Camilo: There is only one way. The question is closed. Many people in the world had forgotten that debt service is a trade problem. That truth just surfaced now. The finance ministers of the developed countries are aware of that truth and they are inclined to provide those conditions to the debtor countries. This is why we are confident we will have that trade surplus next year.

FOLHA: There has been a radical change in the attitude of the developed countries then....

Camilo: They are coming around to this view, whether because of the Mexican jolt, because of the patient and persistent work of various members of the Brazilian Government or through other theoretical considerations, including the analysis of the 1929 crash, which was caused precisely because the financial and commercial problems were dealt with separately

FOLHA: The vice president of the Chase Manhattan Bank expressed quite similar views recently. He said that the developing countries are not bankrupt, but that they have liquidity problems in most cases, and that the international bankers will have to favor a mechanism permitting the worldwide recycling of the foreign debts of developing countries, not just demand payment, period. Your explanation left me with some doubt. You said that any problem affecting the competitiveness of Brazilian exports should be resolved looking at it from that angle. The people at the Getulio Vargas Foundation have been insisting--and Finance Minister Ernane Galveas has also spoken about it several times--that rising salaries in Brazil will become a negative factor in that regard. Does that mean that the salary law will have to be modified to permit us to export more?

Camilo: That is the way I see it: the worst bottleneck constitutes the difficulties in the interest payment account of the balance of payments. If unclogging this bottleneck is our greatest or first need, it is not the only one, obviously. For the government everything is important: national defense, foreign diplomacy, education, health, employment and transportation. But our first need is related to the balance of payments. I stress the idea that any measure of economic policy must contemplate the problem of competitiveness abroad; it has to be analyzed and adjusted in the light of the competitiveness requirements. As much as possible, any measure should only be adopted if it maintains or improves our competitiveness. Meanwhile, I believe that it is more important to create jobs than to grant privileges to job holders. I insist on this. Brazilian society has been very concerned with laws to protect those who already have jobs. All our labor legislation is aimed at those who have jobs: the family bonus, retirement, 30-day vacation, service time surety fund, etcetera, etcetera. In addition to that, we want to create vacation camps for those who are employed. Much of our concern revolves about those who have jobs. Fine. It is a good thing to treat those who have jobs well. But in this decade we will have to find jobs for at least another 15 million people. In addition we have another 15 million adults who are underemployed, do not have a labor card or are disadvantaged in some other

way. They live on odd jobs; there are many of them. It seems to me that it is more important to creat job opportunities than to heap privileges on those who already hold steady jobs. I also stress the fact that to create employment it is necessary to have employers. Job creation implies investment, investment implies savings, that is, profits of enterprises. The idea of profits as savings to generate investment and, consequently, jobs has to prevail. Finally, if the balance of payment is the bottleneck and if I need to create jobs, I prefer to deal with the question of unemployment as a question of creating jobs in order to stay competitive. That is, I provide conditions for competition and thus create jobs, or else I end up creating unemployment. This is the crucial point. I'm saying it rather obliquely, but there it is.

FOLHA: You do sound a little bit complicated.

Camilo: I spoke obliquely but I spoke, and there you have it. The message is delivered. Employment should be internationally competitive.

CSO: 3343/31

DAILY CRITICIZES U.S. ROLE IN CENTRAL AMERICA

PY191402 Rio de Janeiro JORNAL DO BRASIL in Portuguese 8 Nov 82 p 10

[Editorial: "Wrong Path"]

[Text] The explosive situation on the Honduran-Nicaraguan border confirms the uncomfortable fact that in Central America the U.S. Government has not yet decided to give up the bad habit of interventionism.

The recent history of the region might have demonstrated that interventionism is self-defeating. In the specific case of Nicaragua, the United States, due to its self-indulgence and sluggishness, permitted itself the luxury of supporting almost to the end the bloody and corrupt dictatorship of Anastasio Somoza.

The persistence of that support made Nicaragua not only susceptible to a bloody revolution, but also a candidate for the emergence of a leftist regime--as always happens when right wing dictatorships are overthrown in countries where there are irritating social inequalities.

None of these theories is necessarily frightening for the United States. The slightest comparison of the economic potential of each of the two countries would be sufficient to reach the conclusion that the economic levers could tremendously influence the development of political events.

When Somoza was overthrown, the United States should have expected, as a matter of course, some animosity from the new regime, since it could not evade a share of the responsibility for keeping Somoza's regime in power for so long.

The advent of the Sandinists, however, was far from being a smooth and irresistible process, as demonstrated by the fact that the government has been unable to decisively decree the elimination of private enterprise or of the opposition. There has been a strong inclination toward Marxism, and there are also very serious not yet solved economic problems, which could and should lead the regime to carefully weigh its foreign conflicts.

The United States, however, did not seek a sophisticated approach to that problem. On the contrary, in a very short period it switched from the attempt to persuade to direct pressure.

The aggravation of the domestic situation in El Salvador has contributed to it. The Reagan Administration in the beginning simply "exhausted its patience" with Central America, as has happened with previous U.S. Administrations. Instead of using the imbalance of forces as an instrument of persuasion, the United States tried to use it like a club.

We should not be surprised that since then everything has worsened. The guerrillas have not succeeded in winning the battle of El Salvador, but the government has not won it either, and the political and economic wounds are only aggravating.

As far as Nicaragua is concerned, we have reached the ultimate and worst consequences: There are no more doubts that the United States is tied to the old Somozist groups in the effort to destabilize the government of Managua.

Where can this effort lead to? Certainly not to any long-lasting or advantageous situation. Somozism has become something unacceptable for Nicaragua and U.S. ties with that idea can only lead Nicaragua and other countries in the region to believe that Washington only looks out for its own interests in Central America, and it does so poorly.

In view of this type of opposition, the Sandinists end up having at their disposal better conditions to hold on to power and to smother any domestic opposition. And Moscow is thus being promoted as the "real friend" of the developing countries.

And what is even more serious, from a historical viewpoint, is the fact that this policy has not only been used in Central America. Operations such as the one mounted against the Sandinists were also mounted in Chile and other countries on the continent and everyone has seen the results. The myth of the communist adversary has led the United States, in that type of "external action," into alliances with an unsavory anticommunism. And an unsavory anticommunism has, among other defects, a very frightening lack of competence.

Like any other radical phenomenon, this political line believes that it will achieve its objectives through force. If this philosophy were to be the correct one, then Argentina and Chile today ought to be very healthy countries.

Regretably this is not the case. Blind militarism has led Argentina to an impasse in which it has seen its infinite economic, political and cultural potential disappear. Smaller and less wealthy countries, such as Peru, have also reached "rock bottom" where development is concerned and they are on the brink of bankruptcy. As for the Bolivian case, it is so grotesque that it can be dispensed with.

This is the policy that the United States seems tempted to use in Central America. Any ally is useful, as long as he is anticommunist. This policy has been lethal for the countries where it has been applied and it always ends up by backfiring against the United States itself. Such an admirable country where other circumstances are concerned should not permit its foreign policy to be confused, not even for a minute, with banditry. This being the case, then the difference that should exist, and does exist, between a democratic country and a totalitarian power is completely annulled.

CSO: 3342/32

PAPER WARY OF U.S. GOODWILL GESTURE

PY101634 Sao Paulo FOLHA DE SAO PAULO in Portuguese 5 Nov 82 p 2

[Editorial: "Above and Beyond the Gesture"]

[Text] Only moderate optimism is justified for the support that the United States gave to the resolution that Mexico and another 19 Latin American countries--among them Brazil--submitted to the UN General Assembly. The resolution recommends the renewal of negotiations on the Malvinas Islands.

The U.S. position, which has already motivated formal protests from England, is, naturally, framed within the same effort of rapprochement with Latin America that includes an important event: President Ronald Reagan's visit to Brazil. There is no reason to spurn these gestures of goodwill. Also, they should not be overrated, nor should the possibility be ignored that the goodwill is merely a symbolic gesture.

In fact the support for a renewal of negotiations represents an advance only in relation to U.S. support of England when events were really red hot during the disastrous attempt by the Argentine military government to enforce its country's sovereignty over the islands. And before the military confrontation, the United States had stated that it favored a negotiated solution to the conflict. Therefore, the United States has no reason to change its mind now.

The basic question is: What are Latin America's chances of seeing its anti-colonialist position prevail in the upcoming negotiations, when Argentina's humiliation has clearly demonstrated the secondary role of this part of the world within the hierarchy of Washington's alliances.

The Malvinas war was, in this sense, an epitaph for the Monroe Doctrine, which at the beginning of the century expressed the determination of the United States to guarantee "America for the Americans" against the interference of Europe. It could not be more clear today that the overcoming of the vestiges of colonialism is a tough task that the countries South of the Rio Grande will have to conduct within a framework of political cooperation, and of confrontation, with their powerful Northern neighbor.

In his speech to the UN General Assembly, President Figueiredo clearly pointed out that Brazil's foreign policy understood that basic fact, making the strengthening of ties between the less developed countries--Latin American countries in particular--a condition for significant advances in the North-South dialogue.

From Latin America's viewpoint it is possible that the Malvinas question has become a barometer in that dialogue, even though substantive problems, such as trade and external debts, are referred to. No matter, favorable solutions at either level will be forthcoming as a result of the joint action carried out by Latin American foreign ministries, counting on, if possible, Washington's goodwill, but always helping that goodwill along through legitimate pressure.

CSO: 3342/32

BRIEFS

MIDEAST FEZ PLAN PREFERRED--Itamaraty spokesman Bernardo Pericas said yesterday that despite the fact that Brazil identifies itself more with the Fez proposal for peace in the Middle East, "This does not mean that it is against President Ronald Reagan's proposal, because it is not a question of approving one proposal to the detriment of another." Pericas asserted that the Fez proposal (based on a document authored by King Fahd of Saudi Arabia) includes, among other things, the four basic points that are defended by Brazil regarding a lasting peace in the Middle East and they are: troop withdrawal from the occupied Arab territories; recognition of the rights of a sovereign state; PLO participation in the negotiations; and equal rights for all the states in the region, including Israel, within recognized borders. "We are not approving one plan to the detriment of another," the Itamaraty spokesman said. "We are merely indicating that the Arab plan is more complete and it involves certain commitments by the proposers once it is accepted. This is why Brazil's position is closer to the Fez proposal." Regarding Reagan's plan, which Itamaraty also considers to be very good, Pericas recalled that although it had the immediate approval of the Arabs, Israel rejected it. [Text] [PY101745 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 4 Nov 82 p 9]

PDT LEADER 'HAS NOT CHANGED'--Minister Carlos Atila, the presidential spokesman said yesterday that if the interview granted on Thursday night to the PDT [Democratic Labor Party] candidate for governor of Rio de Janeiro State, Leonel Brizola, left any type of impression, that impression was not a good one. "He has not changed at all, he is still the same Brizola of the pre-1964 years. The only thing that has changed is that he is not so fiery when he speaks, but his line of thought is the same," the spokesman said. Therefore, Atila said, once he has been installed as governor of Rio de Janeiro, he will be treated as the law prescribes. And, according to the spokesman, the treatment that Brizola will receive from other government authorities will depend on them, because there is no overall government guideline that establishes a pattern of behavior. He also asserted that there is no threat of a lack of communication with the governors-elect of the opposition parties. "Of course, relations with the PDS [Social Democratic Party] governors will be easier because they agree with the priorities that have been outlined by the federal government, while the opposition parties have different priorities. But this does not mean to say that there will be no dialogue," Atila said. [Text] [PY231554 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 20 Nov 82 p 6]

CAR EXPORTS TO NIGERIA--Volkswagen's Brazilian branch has postponed its exports to Nigeria until this country pays off a \$60 million debt it owes the company. [Rio de Janeiro JORNAL DO BRASIL in Portuguese 28 Oct 82 p 21 PY]

EEC GRANTED LOAN--The EEC has granted a \$75 million loan to Brazil. The loan, which will be repaid in 12 years at an 8 percent interest rate and with an 8-year grace period, will be earmarked for the purchase of mining equipment for the Caraja project. [Rio de Janeiro JORNAL DO BRASIL in Portuguese 5 Nov 82 p 22 PY]

ARMY HEADQUARTERS BUILDING FIRE--Brasilia, 15 Nov (LATIN-REUTER)--Fire department sources report that a huge fire started today at a building of the Army General Headquarters located in Brasilia. The fire, which started after mid-day, affected two stories of the main administrative building of army headquarters, located in the so-called urban military area, the sources added. The sources explained that it was not known how the fire started, although they noted that two bottle gas containers may have exploded inside the building. Fireman and military patrols responded to the fire, at a time when elections of governors and legislators are being held normally all over the country. [Text] [PY152122 Buenos Aires LATIN in Spanish 1952 GMT 15 Nov 82]

ARMED FORCES APPOINTMENTS--Brasilia (O GLOBO)--Gen Pedro Ivo Seixas has been designated deputy chief of technological matters of the armed forces general staff. Gen Rubens Mario Brum Negreiros has been designated deputy chief of staff of the armed forces. [PY180243 Rio de Janeiro O GLOBO in Portuguese 9 Nov 82 p 1]

OCTOBER INFLATION 4.8 PERCENT--Brasilia--Inflation for the month of October totaled 4.8 percent, according to the Planning Secretariat. Julio Cesar Martins, of the secretariat's price and supply office, said Friday the increase, which was higher than the September rate, came about principally because of more expensive automobile costs and a hike in basic food products. September's rate was 3.7 percent. Accumulated inflation for the past 12 months is now 95.9 percent, Martins reported. He said he expected 1982 inflation to flatten out to 95.2 percent, the same rate as in 1981. Martins said that the automakers were raising their prices above the cost of living rate. [Text] [Rio de Janeiro LATIN AMERICA DAILY POST in English 6 Nov 82 p 1 PY]

MINERAL PROSPECTING IN LIBYA--(Andre de Ramos), chairman of the Mineral Research and Resources Company told the BRAZILIAN NEWS AGENCY today in Brasilia that this company will begin an extensive mineral prospecting program in Libya this month. The first stage will include aerial photogrammetry in the southern region of the country bordering Sudan, Chad and Niger. Moreover, 16 Libyan technicians will be trained in Rio de Janeiro. [Brasilia Domestic Service in Portuguese 2200 GMT 10 Nov 82 PY]

RESERVES AT \$3 BILLION--A government spokesman has reported that Brazil's reserves, which amounted to \$3 billion at the end of October, had fallen \$4.5 billion during the first 10 months of 1982. The spokesman also reported that Brazil's short-term debt is approximately \$14 billion. [Rio de Janeiro O GLOBO in Portuguese 5 Nov 82 p 16 PY]

GOLD PRODUCTION--According to National Mineral Production Department Director (Antonio de Jesus), approximately 2 tons of gold were extracted during the month of October from the three main gold mines in the State of Para. [Brasilia Domestic Service in Portuguese 2200 GMT 10 Nov 82 PY]

IRON, STEEL PRODUCTION--The National Nonferrous Metal and Steel Council (Consi-der) has reported that Brazilian iron and steel production grew 18.8 percent in October with respect to the same month in 1981. During the first 9 months of 1982, iron and steel production fell by 0.25 percent with respect to the same period in 1981, while in October of this year it reached 2.2 million tons. [Rio de Janeiro O GLOBO in Portuguese 6 Nov 82 p 22 PY]

JET TURBINE UNDERGOES TESTS--The Brazilian Tractor Company (CBT) is testing the first locally produced jet turbine. The tests are being run at the Air Force Technological Center. [Rio de Janeiro JORNAL DO BRASIL in Portuguese 27 Oct 82 p 18 PY]

FLAMETHROWER DEVELOPED--The firm Hidroar Inc. has developed a flamethrower which has an 18-liter flammable mixture capacity and which operates on eight common 1.5-volt batteries. The flamethrower, used by the Brazilian Navy and Army, has already been sold to foreign countries. [Rio de Janeiro O GLOBO in Portuguese 7 Nov 82 p 36 PY]

TRADE WITH AFRICA, NIGERIA--Trade between Brazil and Africa in 1981 reached \$3.6 billion, approximately 700 billion cruzeiros. Brazilian exports to Nigeria alone reached \$700 million, approximately 157.5 billion cruzeiros. [Brasilia Domestic Service in Portuguese 2200 GMT 9 Nov 82 PY]

CSO: 3342/32

BRIEFS

PINOCHET BLAMES CRISIS ON WORLD RECESSION--Santiago, 12 Nov (LATIN-REUTER)--President Augusto Pinochet today said that the economic crisis affecting Chile is the result of world recession and does not depend on the Chilean political situation. General Pinochet seems to have referred in this manner to a study made by a Christian Democratic Party (PDC) group, which according to political sources represents the thinking of this dissolved party. This group demanded political changes this week saying that democracy is the only solution to the country's economic crisis. During a visit to the Quinta Normal Community, Pinochet said that the government is trying to deal with the effects of the recession. He added that the politicians want to take advantage of this international problem by representing themselves as a remedy for all ills, forgetting that the socialist countries have much more serious problems than we do. He said that the crisis is also affecting the democratic countries, that is, the economic recession has nothing to do with politics. [Excerpt] [PY162057 Buenos Aires LATIN in Spanish 2136 GMT 12 Nov 82]

FINANCIAL ESTIMATES FOR 1983--The director of the budget department has reported that fiscal expenditures are expected to drop by 7 percent in 1983 and that the fiscal deficit will be 26 billion pesos in that year. It is also estimated that public investment will grow by 3 percent in 1983. [PY171429 Santiago Domestic Service in Spanish 2200 GMT 16 Nov 82]

CENTRAL BANK RESERVES GROW--Central Bank President Carlos Caceres has reported that reserves grew by \$75 million between 15 and 30 October 1983 and that the balance of trade registers a \$100 million surplus. [PY171429 Santiago Domestic Service in Spanish 2200 GMT 16 Nov 82]

WOMEN BANISHED TO CHILOE--The Interior Ministry reported yesterday that two persons were banished to Chiloe on charges of violating the state's security law. They are two women identified as Tatiana Ester Godoy Cortez and Monica Tatiana Sandoval Baeza who were sent to the towns of Poquedon and Curaco de Velez respectively. Both women, along with five others, were involved in demonstrations against the government during the opening ceremony of the 1982 Santiago International Fair. The other five persons were released. [Text] [PY111556 Santiago TERCERA DE LA HORA in Spanish 3 Nov 82 p 34]

NEW AMBASSADORS--The new ambassadors of Panama, Ricardo Moreno; of the Dominican Republic, Jorge Yerra; and of Costa Rica, Rabio Cruz have presented their credentials to President Augusto Pinochet. The separate ceremonies were held at La Moneda Palace. [PY201923 Santiago Diplomatic Information Service in Spanish 2337 GMT 16 Nov 82]

CAR PRODUCTION DOWN--During the first 10 months of this year car manufacture decreased 63 percent over the same period last year. This information was provided by the Production Development Corporation [CORFO]. [PY201923 Buenos Aires LATIN in Spanish 1601 GMT 16 Nov 82]

CSO: 3348/96

ROUNDTABLE DISCUSSION ON ROLE OF CULTURE IN NATION

Havana BOHEMIA in Spanish 22 Oct 82 No 43 pp 38-41

[Round table on "Culture and the People" with Armando Hart Davalos, member of the Politburo and culture minister; Mariano Rodriguez, National Assembly deputy and president of the House of the Americas, as well as a painter; Roberto Fernandez Retamar, director of the Center of Marti Studies, editor of the magazine CASA, vice president of the House of the Americas, poet and essayist; Julio Garcia Espinosa, deputy minister of culture and film maker; Julio Le Riverend, director of the National Library and historian, and Graziella Pogolotti, dean of the Department of Dramatic Art of the Superior Art Institute, critic and essayist; reporter: Ilse Bulit Pena; date and place not specified]

[Text] Coffee invites conversation, and so do comfortable seats, which in this case are a combination of the new and the old.

One question is enough; the topic is thought-provoking, Cuban culture, and they will travel all of its paths: the narrow footpaths of our island, the sandy trails south of the Rio Grande, or the avenues of Moscow or Paris. What is ours is ours, and universal as well. Culture is culture and involves economic relations as well.

A decision by the reporter is all that is needed. Like Eleggua in our Afro-Cuban mythology, she will pave the way. The minister's friendly smile was the green light.

Reporter: Well, the Day of Cuban Culture was celebrated not long ago, and that's why BOHEMIA asked for this sort of... round table. I think that we have to pose the following question. Comrade Hart, what is the meaning of Culture Day and why was this date chosen?

Hart: The first thing is to talk about 20 October 1868 and its historic significance. The music and lyrics of the National Anthem were sung in public for the first time that day. The story is that Perucho Figueredo wrote his immortal lyrics on horseback. If 10 October marked the beginning of the struggle that forged the Cuban nation, then we can consider 20 October as the symbolic day on which our national culture was forged. It means that our culture was forged amid the armed struggle, amid the revolutionary struggle and that from its outset it was marked by

the political commitment, the revolutionary commitment that it has upheld over time. It is also marked by a mass phenomenon. Just think of the taking of Bayamo by Carlos Manuel de Cespedes's troops. The revolutionaries in the city, the people's joy. A mass phenomenon.

Reporter: We had another question: Cuban culture as an expression of our national identity, but you've already answered it in a nutshell. But there is more...Now more than ever, our culture is intermingled with Latin American, Caribbean and world culture. What has this process been like? I think that Mariano...

The painter does not give the reporter time to imagine the strutting roosters that have been born of the hands that now yield to the spoken word.

Mariano: Let's start from the existence of the Cuban Revolution. Since it was created, the House of the Americas has struggled to break a pattern: The cultural development of this geographic area was all supposed to come from the centers of culture, New York, London and Paris. Absurd. Later, the imperialists tried with their blockade to isolate us from Latin America and the Caribbean. We tackled both problems. Our artists and writers linked up with Latin American and Caribbean culture. We received a suitable response from colleagues in those countries. Latin American and Caribbean culture embraced the tenets of the Cuban Revolution, and through the House of the Americas they were able to disseminate their creations. The notion of culture centers and the blockade as well were completely shattered.

Reporter: Another important question, one that I address to Comrade Graziella Pogolotti. Culture as a means of overcoming the negative facets that the years of colonialism and neocolonialism created in our character [idiosincrasia].

Graziella: Well, in general I use the word character very little, because it has been used so often that it gives rise to misunderstandings. It's used to mean a sort of pervasive culture, like a tag on certain peoples that identifies them with certain forms of behavior that are supposedly eternal, unchanging and often negative. Actually, a people's character is an expression of its culture, created and shaped by history, and therefore it contains an element of tradition. In our particular case, the tradition is largely a tradition of struggle. This is one of the character values that the various manifestations of culture tend to vindicate, defend and make a living, conscious element of each individual. Logically, when viewed dynamically, a people's character is modified by history and experience and culture, and in this sense there is a dual process. The creators receive the tradition, the heritage of a people, pass it on, influence others and then constantly return to draw from the tradition that is part of every people's character.

Hart: I would like to expand on what Graziella is saying. This is very important. Culture is a decisive influence in the development

of habits in social and ethical behavior. The struggle is for what has been called formal schooling, and this is a struggle for good manners. The comment "You're ill-mannered" would hurt anyone more than "You have no formal schooling." Raising cultural levels could be very instrumental in developing good social and ethical behavior traits and a total understanding of the phenomena of human relations.

Garcia Espinosa: We've been talking about the Caribbean, Latin American side. There remains the universal aspect. People usually say that in order for Dulcinea from Toboso to be universal, she first had to be from Toboso. That's true, but it's only part of the truth. In order for her to be universal, it was not enough for Dulcinea to be from Toboso. There had to be certain circumstances that enabled Spain to project her culture and circulate her artistic creations. The new situation today is that the world has ceased to be a consumer of the culture of one of its parts and now consumes culture from all over. This stage has been made possible by the beginning of the era of socialism, the Bolshevik Revolution, the establishment of the socialist camp at the close of the Second World War, and the triumphs of nations in their struggles for national liberation and decolonization. Cuban culture is beginning to have a presence because it can be disseminated by the Cuban Revolution, an event of worldwide significance. Interest is being shown in us. Under these circumstances, in spite of the culture industry and even though the main mass media are in imperialist hands, we are in a better position for worldwide reciprocal action. Cuban cultural policy overseas both reveals our artistic and intellectual creations and opens our doors to the finest creations from the rest of the world, not just a part of it.

Le Riverend: I have a few things to say, though you'll have to forgive me if I refer back to something we were talking about. As the minister rightly said, 20 October 1868 was the starting point, and our cultural awareness has developed as a sort of independent awareness.

We can specifically see that national culture is a well-defined awareness when a great cultural movement emerges to discuss, revamp and reject what is neocolonial and, at the same time, to tie in with the birth of a new revolutionary awareness. This is what Marinello called the critical decade. During this critical decade the cultural awareness links up with the class consciousness. This is embodied in Martinez Villena to the utmost, in Marinello himself, in Jose Antonio Ramos, in Guillen and in others. The esthetic vanguard to a great extent becomes the political vanguard. This is simply what I wanted to say in referring back.

Hart: I have to refer back too, like Le Riverend.

Garcia Espinosa was quite right in pointing to the political developments that, starting with the October Revolution, compelled a universal reappraisal of culture. But the problem of universality also involves technological and scientific developments.

With today's technological revolution, the relationship between art and the public, which is a key relationship in understanding art, becomes a much more complex substantive problem because the public has become more worldwide.

I also wanted to do a little of our reporter's work, and since we're talking about the relationship between the nation and the world, who better than Jose Marti to symbolize this, and since Retamar is here, he can address this issue.

Retamar: Thank you very much, minister; you saw that I wanted to have the floor. Garcia Espinosa's speech in particular caught my interest. When Aldonza Lorenzo is transformed by art into Dulcinea from Toboso, she has to start from her roots, in Toboso, but a tree is not only its roots; it is a more complex entity that needs a powerful context. The Spain of Cervantes was the Spain of the Golden Age, the gold of the Americas, which ultimately, after passing through literature and the arts, wound up in the banks of the major capitalist countries that eventually made Spain an underdeveloped country too. It was at this point that I immediately thought of Marti, of his famous remark in one of his Caracas notebooks in 1881, where he says: "We have the first cries of our own literature but we do not yet have our own literature," adding "Nor will there be Latin American literature until there is a Latin America."

And he went about founding a new social reality in Latin America, a genuine Latin America, without which there could not be a genuine Latin American culture. Without doubt, no man better represents the fusion of political and cultural concerns, for Cuba and all the Americas alike, than Jose Marti. He is the mastermind of our revolution and of our cultural life. He was not satisfied with Toboso. He was the most universal of our people.

Ten years after this Caracas notebook he wrote the second of his works, entitled "Our Americas." This is where he really wrote the manifesto of modern Latin America, a manifesto that has impressive currency in every sphere it broaches.

He said: "Let the world be grafted onto our republics," universality, in other words, "but the trunk has to be our republics," in other words, the genuine native element, which must be viewed dynamically, not statically, as Graziella pointed out.

I wanted to bring to mind here this fusion in Marti of the national and the universal, the political in the strictest sense of the word and the literary and the cultural in general. I think that the thought that crowns this philosophy was one that he wrote just a few months before he died in battle: "Fatherland is mankind." Toboso is the world.

Mariano: In our contemporary era, what Le Riverend said about the esthetic vanguard becoming a political vanguard during the critical decade is related to what the minister said about the current relationship between art and the public.

The mass participation that the revolution affords the people means that these esthetic vanguards only exist as such when the public approves of them and grants them that status. This is their political contribution. Today you cannot separate the relationships culture-public, culture-people and culture-masses.

Retamar: I agree completely with these ideas and I want to add something. Marti was a brilliant writer and he was unknown in his era outside the Spanish language. Cesar Vallejo died of starvation in Paris in 1938 without any of his works having been translated. There has been a boom in Latin American literature since the Cuban Revolution. Without denying the worth of the Latin American writers who have been promoted in the wake of our revolution, none of them is a Cesar Vallejo, much less a Jose Marti. In other words, it is a nonesthetic value, not an esthetic one, that has prompted this boom. And that nonesthetic value is the Cuban Revolution.

Hart: I would like to stress the importance of the remarks that Mariano and Le Riverend made about the concepts of esthetic vanguard and political vanguard, especially in the sense that the Cuban artistic and intellectual movement has been in the political vanguard or close to the vanguard or within its mainstream since last century.

We have been talking and discussing things here. But what do we understand by culture? What does our people understand by culture? I invite my comrades to come up with a definition. What does culture mean, Retamar?

Reporter: Thanks for your help, Comrade Hart.

Hart: Pardon my butting in, but I have something of a journalistic calling.

Retamar: When the reporter revises this round table, she will save our readers trouble and edit out many of my remarks, but I cannot fail to accept this invitation. I am a Cuban and I speak whenever I can. The anthropological concept of the word culture today is everything that man has added on to nature. Everything that man creates is culture: Dario's sonnets, shoes, love letters, a black bean stew. For practical reasons, if you wish, we have gradually restricted the term. And because of the tradition or the custom of restricting the term culture so much, we are now down just to the arts, letters and fragments of thought. I have always considered the creation of the Center of Marti Studies as very characteristic of the ministry's concept of culture, because the term culture takes on enormous dimensions in Marti. Cuba's cultural event par excellence is its revolution, which as Fidel has pointed out, has more than 100 years of struggle behind it.

Inasmuch as BOHEMIA is a particularly fitting forum, I want to take this opportunity to combat a very widespread misconception about so-called cultured man. Being cultured does not mean knowing when Beethoven was born or when Michelangelo painted the ceiling of the Sistine Chapel, because in that case the cultural element par excellence would be an encyclopedic dictionary, not a revolution. We have to put an end to the idea that a cultured man is only one who knows certain things. There is no such thing as an uncultured man, because no man is exclusively a creature of nature. As Alfonso Reyes said or as he heard a Spanish peasant farmer say, "Among all of us we know everything." This would represent the ultimate idea of culture as the totality of human creation, the knowledge of which is distributed among all mankind.

Garcia Espinosa: I agree with Roberto, underscoring the initial concept he mentioned. Culture is what is left after one has incorporated everything he has learned. Culture is not just erudition, though a high level of culture entails erudition.

Hart: I would add this: A fuller knowledge of society, of nature helps to enhance culture, if the essences are maintained and not distorted. We aspire to a broad concept of culture, as we have been talking about here. One of the most beautiful definitions I have heard is: Culture is man's footprint on the earth. And this fits in with what Retamar said. Also necessary are knowledge, study, research...erudition. Le Riverend, why don't you talk to us about this topic?

Le Riverend: I would go back to the historic awareness, because historic awareness is precisely man's ability at a given moment in his social evolution to link the past, present and future, and this is clear in Marx. A historic awareness is absolutely necessary for an understanding of what culture is and how we achieve it, but above all to see a foreshadowing of the culture of the future.

Hart: I think that it is clear what we mean by culture. But why are people so interested in culture? Because culture is present in the practical problems of their lives, in the specific, everyday problems of their lives. One of the essential aspects of the ministry's work is to influence the people's recreation. When celebrations are organized in an artistic way, expressions of culture are present. When we achieve beauty in our surroundings, culture is present. Culture is of interest to the people because it takes care of their recreation time with the required esthetic quality.

As Graziella said, I think that culture also contributes to ethical and ideological development. For these reasons too, because it is an aid to political work and to education, an intense cultural movement with deep-seated popular roots has sprung up in the country. Since the branches of the party and the People's Government are in direct contact with the interests of their community, they are giving us concrete, direct aid in furthering the movement.

Retamar: The minister was talking about the people's interest in culture. Man seeks culture for a simple reason: because man cannot exist without culture. But what kind of culture is he given? In the capitalist countries, a degraded culture. Seeing the pornography in those countries really saddens you, because this is a degradation of the human person, the brutalization of the human person. Culture is also a process of humanization. The classes in revolutionary ascent contribute to humanization; the classes in descent to man's brutalization.

Le Riverend: Culture is a social practice. There can be a great many levels of culture. These are not higher or lower levels; they are simply levels. To the extent that these levels are linked to objective social practice, they either humanize or brutalize man. Imperialist economic interests are a reality in our world and they generate their cultural practice and impose it on the citizens in those countries.

Garcia Espinosa: I touched on this point in my initial remarks when I talked about the projection of Cuban culture overseas. I have to return to it because although certain political events, together with scientific and technological development, create a real opportunity for a truly universal culture, there is another side to the coin. The inequality of cultural exchanges is still a serious problem. There is a lot of talk about freedom of individual expression, but this unequal exchange entails a negation of the freedom of entire countries and peoples to communicate on an international, universal level.

Hart: Julio is right. At UNESCO's Second World Conference on Cultural Policies in Mexico, the victorious strategy was the one pursued by the underdeveloped countries, which turned the meeting into a debate between North and South, not East and West, as certain developed capitalist countries wanted.

The stand taken by Jacques Lang, the French culture minister, aided in this triumph. He proposed a democratic opening to the underdeveloped countries. Of course he was harshly criticized by some developed Western countries and much praised by all the underdeveloped countries. If these developed capitalist countries continue to view Asia, Africa and Latin America with disdain, they will simply lower their culture. If they were to begin a dialogue, however, they would enrich it. This is a reflection in the cultural policy field of what Fidel said at the United Nations when he read the report of the Sixth Summit of Nonaligned Countries. They talk a lot about universality and humanism but they want to ignore the cultural existence of the movement that the socialist countries have developed and they underestimate the poor countries. We talked about peace at the UNESCO conference because it is the central issue of culture. War is the negation of culture.

Either the world goes to war or it heads towards a meeting of cultures and nations.

Reporter: Another question here.

Hart: Do you plan to devote the entire issue of BOHEMIA to this round table?

Reporter: My problem comes later, when it comes time to transcribe and summarize. But I still have some strength left. A while ago you touched on an issue that would warrant another get-together. As a news-woman I go all over, and at the grassroots level there are varying opinions as to what culture is and what entertainment is.

Hart: I suggest that BOHEMIA reproduce some of Alejo Carpentier's extremely interesting work on this topic. In the field of analyzing cultural policy and the approaches to it, Alejo is as great as he is a novelist. Since I have a comprehensive view of the concept, I don't see what the difference is. A man who is enthusiastically reading a profound book in a library is very entertained. When Mariano paints his roosters and his masses, he is very entertained. I couldn't distinguish between culture and entertainment. Culture should entertain...Graziella, help us out here.

Graziella: You can't really separate culture from entertainment. Play is historically an expression of culture. Culture translates into an enrichment of meaning that provides man with everything that surrounds him. In this sense, entertainment is infinite.

Hart: The word entertainment has been given a pejorative connotation. It's one of the words that has lost force, beauty. There is more elaborate and there is less elaborate entertainment.

He who succeeds in entertaining by cultivating and teaching has scored a cultural achievement. It is very hard to express things in a simple, entertaining way, in the finest and most noble sense of this word. The Communist Manifesto is an example of a well-written, well-planned and easily understood document. Karl Marx and Friedrich Engels took a long time to write it. Fidel's speeches are simple and profound. Or does profound necessarily mean pedantic or hard or impossible to understand?
[End of round table]

What this newswoman's parapsychological or simply feminine intuition told her would happen, happened. Just a few questions and off they were! In the written version they will lose their individual styles of expression, the intonations that we Cubans give to the spoken word.

We could spend all afternoon and evening here.

But this newswoman has the power of Eleggua today. She closes off the road and declares the round table over.

8743

CSO: 3248/190

HUMBERTO PEREZ SPEAKS ON ECONOMIC MANAGEMENT, PLANNING

Havana GRANMA in Spanish 5 Sep 82 pp 2-3

[Speech given by Humberto Perez, alternate member of the Politburo of the Communist Party of Cuba and executive secretary of the National Commission for the Implementation of the Economic Management and Planning System, at the closing session of the Third National Plenum for Monitoring the Implementation of the SDPE, held at the JUCEPLAN Theater in Havana, Saturday 2 October 1982]

[Text] Fellow members of the Politburo, fellow members of the Executive Branch, esteemed comrades:

This is the third time we have met to engage in a collective analysis of progress made in the implementation of the Economic Management System. The two previous occasions were at the end of the last 5-year period, in 1979 and 1980. This is the first time the monitoring has been done in the present 5-year period.

As on earlier occasions, this National Meeting was preceded by a detailed study of enterprises and budgetary units in terms of the various mechanisms of the system, and by plenary meetings at the municipal level first and then the provincial level, at which the results of the surveys and visits to the enterprises and budgetary units were discussed. The monitoring covered 95 percent of the enterprises and 87 percent of the budgetary units.

Unlike earlier monitoring efforts in which ad hoc 2-person teams conducted the studies, this time, with the exception of municipalities that are provincial capitals, the studies were carried out by specialized personnel from the municipal offices of the central state agencies and the People's Government Organs responsible for the various mechanisms of the system. This method has certainly provided us with a better quality of verification.

This monitoring procedure proved and confirmed the conclusion that had already been presented to the Second Congress of our Party: that basically the primary elements and principal mechanisms that constitute the Economic Management and Planning system (SDPE) have been established.

Progress has continued in the application of the already implemented Accounting System, although there are still deficiencies against which we must

struggle constantly, because the records are not always up to date. The Auditing System designed to detect carelessness and errors is still deficient, and inspection and supervision by the Finance Committee and by all agencies and People's Government Organs must be stepped up to enforce established regulations and ensure that controls are properly exercised.

The statistical service continues to improve. In the past 3 years the amount of data contained in models for reports has been reduced by 7 percent. In the National Statistical Information System the short-term models have been reduced, as have the centers that issue unofficial statistics (the so-called "black statistics"), although that battle has yet to be won. Nonetheless, there is an upward trend in the System of Complementary Statistics, and all unauthorized statistics must be completely eliminated. In both systems, all information that is not of proven necessity for the purposes of managing economic activity must be kept to a minimum, and the personnel that handles paperwork in that regard must also be cut back. At the same time, better information must be obtained about certain aspects, indicators and categories for which the available statistical service is still insufficient.

Work has been done and continues to be done on something that will be a very important technical tool for the purposes of future and current planning, in terms of a more precise determination of consumption norms and therefore productive consumption norms; the establishment of the interrelations among the various sectors of the economy; and the establishment of wholesale prices. That is, we have been and are still working on the formulation of a Compendium of Intersectorial Economic Relations.

The National Bank has developed its program to control base pay, and today 62 percent of the enterprises where this type of control is feasible are subject to it.

The development and control of the Cash Plan is a vehicle for monitoring our money supply, and although there are still some problems which we must eradicate, stemming from inexact calculations and organizational factors (for example, the deadlines established for returning wages not paid or for the deposit of income are not being met), this mechanism is obtaining more positive results.

The bank credit mechanism is still an increasingly efficient element of control over business management, inventories, and business activity in general.

Another program that has been successful but not problem-free is the Wholesale Price Reform, which is designed to facilitate economic calculations and financial self-management by enterprises.

The State Arbitration program has continued its development, and it is being used more and more often to resolve discrepancies among businesses in the signing and execution of contracts; illustrative of this is the increase in the filing of arbitration papers: as of 25 September this year, 6,674 had been filed, compared to only 1,041 as of the same time last year. We cannot yet feel satisfied with its performance, however.

The collections and payments mechanism is also continuing to show substantial improvement because of the measures adopted by the National Bank, as can be observed in the significant drop in untimely accredited collections and payments documents. In 1979 7 percent of all such documents were untimely, while now only 0.9 percent are. There has also been a reduction in mail processing delays, thanks to the efficient work of the Communications Ministry, and there has been a decline in the number of collection orders returned for insufficient funds in the accounts of the enterprises and budgetary units acting as purchasers.

Nonetheless, in the area of collections and payments there is a matter of the utmost importance which has been plaguing us and still eludes solution, causing a real setback: the problem of the collections and payments mechanism in import firms in their dealings with the businesses of the domestic economy and with dispatching and shipping firms. This is something that must be resolved as soon as possible.

The application of the General Wage Reform has led to advances in the implementation and improvement of the organization of labor. At the end of 1981 73.2 percent of the country's workers were engaged in regulated activities, which means a 6.4 percent increase over the 1980 figure. Moreover, a great effort has been made to update the regulations; it is estimated that by the end of 1981 more than 1.6 million standards, more than half the total in the country, had been reviewed.

As for the application of the systems of pay based on job performance, by the end of 1981 more than 1.23 million workers were being paid in accordance with their work yield, which means a 10 percent jump over the number being paid in this fashion in 1980.

However, not enough progress has been made in piecework payment, so the problems that exist in this area must be confronted so that this system can be properly enforced.

Mechanized and automatic data processing continues to advance; during the last Plenum it was mentioned that an experimental calculation station was operating in the municipality of San Jose de las Lajas, while now there are 39 such centers. In 1981 a total of 576 new technical units were introduced, including minicomputers, perforators, data registers, etc., although these units are still insufficient.

Significant advances have been made in standardization, weights and measures, and quality control, although there is still a long way to go. Now 86 percent of all enterprises have drawn up specific plans to implement the National System of Standardization, Weights and Measures and Quality Control. There are some 10,400 specialists, technicians and skilled workers in this country who are directly involved in these activities. There are now nearly 12,000 state-approved norms, of which 3,000 are for quality specifications. This means that 70 percent of enterprises produce their principal goods or services in accordance with quality specification standards.

In 1981 alone about 330,000 measurement units were verified; last year as well, the Cuban State Seal of Quality was approved, and for the first time in our history 102 products manufactured in 21 different enterprises went through the quality certification process, with 93 of them receiving the State Seal. At this time we are studying the best way to stimulate the enterprises that make these high-quality products, and the goal is to work on integral quality certification; that is, to certify all the products manufactured by an enterprise, so that along with the incentives provided for those high-quality products, there will also be penalties for inferior products.

In the area of finances, new steps have been taken in several aspects, including the application of a system of incentives for local budgets, and the publication of an accounting manual with a system of interchangeable pages. Audits have been stepped up, and regulations have been written and approved for the application of what we have named "sectors of economic calculation" in the budgetary units.

Although the existing capacity of the Economic Management Schools is being utilized very little, progress continues in the formation of cadres; nearly 14,000 people have already gone through the Economic Management Schools, and 728 economic management students are enrolled in the 3-year advanced course leading to a "licenciado" degree at the ISDE [expansion unknown], while another 544 are studying at the Villa Clara, Camaguey, Granma, Cienfuegos and Pinar del Rio campuses.

In addition to the aforementioned areas, progress is also being made in other areas in the implementation of the mechanisms of the Economic Management and Planning System.

But in this monitoring effort, the questions and the analyses were not confined to the results obtained in the application of the various mechanisms; they also included indicators that measure the economic efficiency of businesses and that provide information about which results are due to the application of the system.

SDPE Began Yielding Valuable Results at End of Last 5-year Period

In the first National Plenum held in February 1979, we said that the last 5-year period had been a time of "planting seeds," when we established the principal mechanisms. We also noted that even during the present 1981-85 period we would not yet begin the harvest in the broadest sense. This was to be the period of "cultivation," that is, of making initial improvements and adjustments in the system. Although we should already have begun to reap some early fruit, not until the 1986-90 period will the system be mature enough from the objective and subjective points of view.

Since the end of the past 5-year period, however, and so far this period, we have begun to obtain some valuable results. In the first place, we have seen results in the formation and development of an economic consciousness in our cadres, one of the fundamental objectives presented by Comrade Fidel in his

report to the First Party Congress, and described by him as an achievement dating back to the beginning, in his closing remarks at the Second Monitoring Plenum of the SDPE in July 1980. On that occasion, Comrade Fidel noted that "there is one thing that has yielded results from the very beginning, in one way or another, although it is just a matter of raising our consciousness, of forcing us to think about the overall costs and the savings in resources, of becoming less profligate than we used to be, less wasteful of our human, economic, material and other resources. In these aspects," concluded Fidel, "from the very beginning the effort that has been made during these past years has yielded results."

This economic consciousness, this understanding of the importance these mechanisms have for our country in helping us to use our material, financial and human resources more rationally, provides us with a decisive base for confronting the difficulties that lie ahead in the economic sphere, derived principally from the difficult and complex crisis that the present world economy is suffering.

It is truly paradoxical that, at a time when we can talk of undeniable advances in economic efficiency and management, on the other hand we must also talk of serious limitations and economic difficulties. The growth achieved in 1981 and the efficiency indices attained prove our existing organizational capacity, the potential strength our country possesses for economic development, and the results our hard-working people are capable of achieving when the objective circumstances of the world economy offer few opportunities such as the one we had last year, when we were able to take advantage of the higher sugar prices in late 1980 and early 1981.

Now, in view of the present difficulties and those we must face in the near future, as Comrade Fidel said last 26 July, "we must continue working to further enhance the efficiency of our economy; we simply have to do more with less."

That is and should always be the principal objective of the Economic Management and Planning System: to contribute through its various mechanisms to the enhancement of our economic efficiency; to extract the utmost from our resources. Any mechanism that does not contribute to this end must be eliminated, replaced or modified.

The implementation of the System has developed in adverse economic circumstances, and has therefore encountered not only subjective but also objective pitfalls. At the same time, however, its application has been and should continue to be an effective weapon for combatting and attenuating the effects of the shortage of material and financial resources.

In 1981, as I noted earlier, the economy grew by 12 percent amid a situation of world crisis which imposed severe limitations on our imports from the capitalist bloc. This growth, therefore, was based to a large extent on better utilization of resources, and greater efficiency in general.

Labor productivity has risen steadily in recent years; in 1978, 1979 and 1980 in all productive sectors this indicator experienced significant growth.

During those 3 years the agriculture sector grew by 23 percent, construction 19 percent, transportation 8 percent, communications 27 percent, and industry 18 percent. In 1981 productivity throughout the economy grew by more than 12 percent, which means that 83 percent of the increase in production was due to this factor. In other words, to achieve the level of production attained in 1981 with the productivity level of 1980 would have required 213,000 more workers than were actually used.

We should stress the efficiency achieved in our sugar harvests. In the 1980-81 harvest, cane-cutter productivity was 22 percent higher than the previous year, and in the recently finished harvest there was an even more significant savings: in the peak 10-week cutting period some 12,000 fewer cutters were used. In sum, in the past harvest 5 percent more cane was cut manually than in the 1981 harvest, but productivity per cutter rose by nearly 2 percent. There was also an increase in job attendance in the field. This meant that if we had conducted the last harvest under the productivity and attendance conditions of the 1980 harvest, an average of about 30,000 more cutters would have been required than actually were.

Another indication of the increased efficiency that has been achieved is that the cost per peso of production has been on the decline in recent years, and in 1981 that cost fell 5 percent below the 1980 figure.

90 Million Pesos of Idle Resources Used as Source of Material Stockpiles

The mechanisms of the system have also contributed favorably to other aspects, for example the work on the so-called "inventories of idle goods" for companies possessing such goods because they have more than they need, or they simply can no longer use these goods in the productive process, even though such goods are not idle in the rest of the national economy and could be utilized perfectly well by other enterprises or economic entities in the country. These goods have been piling up for years, and began to emerge as a problem particularly when the bank credit mechanisms were applied. It became apparent that a solution to this problem had to be found.

Organized by the State Committee for Technical and Material Supply (CEATM), in 1979 and 1980 the Idle Products Fairs were held to market resources valued at more than 40 million pesos. This first initiative showed how goods that were languishing in warehouses at some companies were in demand and could be used by others. Some enterprises even possessed surplus goods that were needed by other enterprises in the same agency. After the experience of these fairs, in 1980 Decree 68 was issued, concerning inventories of idle goods. Now just the goods of this kind reported to the enterprises of the CEATM are valued at an astounding figure of 500 million pesos. Of these resources, the equivalent of 90 million pesos has already been used as sources of material stockpiles for the plan for the current year, and it is estimated that additional resources valued at about 240 million pesos could be used as sources for material stockpiles in 1983 and the following years.

In this regard, we should point out that not all companies declared their idle inventories, and now they are in difficult financial straits; this

reveals a lack of discipline stemming from laziness and the failure of these companies' supervisory organizations to control them.

Advances and results have also been achieved in the regulation of consumption, although we still have a lot of work to do in this area. As we all know, it is not easy to carry out this task, and in the first years there were delays in the application of this system compared to other mechanisms, because there was no statistical basis for an objective formulation of such regulations. Moreover, this task has not always been viewed with the necessary understanding. But in the 1982 plan, the Central Planning Board issued directives for more than 7,200 additional regulations, and as a result the figures for technical and material supplies to the different agencies were based on these consumption regulations. The regulations should be reviewed yearly in order to bring about a gradual reduction of the supply levels necessary to meet the production levels called for in the plan.

The work done to regulate fuel consumption is noteworthy in this regard. In the 1982 plan directives were issued to regulate fuel consumption by the various agencies, and the consumption levels imposed were lower than those of 1981. The implementation of these regulations, along with better enforcement of them and of the incentive system designed to turn over to the agencies a percentage of the value of the fuel saved, in comparison with the planned level, in terms of convertible currency, and the payment of bonuses to workers for the reduction of consumption indices, have all led to a decline in fuel spending in our economy. We need only point to the example of the recent harvest (one of the biggest users of fuel in the country), when more than 100,000 tons was saved.

Another notable example in the struggle for efficiency supported by the mechanisms of the system is the work being done by the comrades of the Agriculture Ministry (MINAG), which was explained here today by an enterprise director and a vice-minister of that ministry. Among the cases that can be cited is that of the province of Sancti Spiritus, where the comrades of the MINAG Delegation, under the name of "economic bulldozing," have collaborated with the enterprise directors in a series of analyses of the results obtained by these enterprises, with particular emphasis on costs. At the end of the first stage of this work, it was concluded that it is possible to rationalize 1,372 jobs on the covered payroll for a savings of more than 4 million pesos in wages. The officials concluded that some 520 tractors could be given up or furloughed. In that province a single enterprise, the Sur del Jibaro rice company, plans to give up or furlough 122 tractors.

Another illustrative case is that of the La Cuba agricultural company of Ciego de Avila. In just 2 years it managed to reduce its tractor fleet by 50 tractors by adding 4.2 hours to equipment worktime. At the same time that it made this reduction in its basic units, it more than doubled production. As a result, it is no longer an unprofitable company (it used to lose nearly 600,000 pesos per year), and now earns profits of nearly 1 million pesos.

This is a magnificent example of the spirit and dedication that should characterize our work in pursuit of efficiency in our economy. It is also an unquestionable example of how we should cope with our economic problems, and I think it deserves everyone's recognition.

No SDPE Mechanism, Structure or Organization Is Immutable; Reviews Should Preserve System

Yesterday, at a meeting of the leaders of the People's Government Provincial Organs and provincial Party leaders, and today at this plenary session, we have had a fruitful exchange of opinions regarding a series of selected issues which comprise most of the fundamental aspects of the Economic Management and Planning System we are implementing. Our purpose has been to gather the opinions and experiences of the leaders at various levels (ranging from enterprises as fundamental economic cells in our economic organization, to the branch ministries and the umbrella agencies, bearing in mind the role of the People's Government Organs as territorial governmental agencies) responsible for putting into practice the different mechanisms, methodologies and procedures, systems and subsystems that make up the Economic Management and Planning System. We intend to determine which are the fundamental problems, and what difficulties have arisen to prevent the achievement of the objectives that are the system's *raison d'être*, that is, the achievement of greater efficiency in the use of our productive resources. In this exchange of ideas, we are trying to find out what the umbrella agencies that govern certain aspects of the system should do, and what the National Commission should do as coordinator and director of the application and development of this system, to eliminate pitfalls, streamline mechanisms, improve procedures, and adjust methodologies in accordance with the needs of practical application, always completely subordinated to the objective of efficiency.

All of us will subject the opinions expressed here to a detailed analysis, and we will try to provide as prompt a solution as possible to the problems posed, within our limitations, and in accordance with our country's present situation. No mechanism, structure or organization of the system is immutable, and we are most willing to revise absolutely any aspect of these elements, any current regulation, always, of course, ensuring that the system continues to be a system and not a series of loosely joined mechanisms that are inconsistent or contradictory, or that are not in line with our real possibilities.

At the same time, this exchange should also serve to provide a better understanding by all of issues that are not always fully grasped at the various levels of leadership due to the lack of sufficient information, and because the local or structural functions of an agency do not permit it to see problems in their entirety.

The issue of planning and the problems encountered in the formulation and execution of plans, has been discussed here. The undeniable deficiencies we have in this area have been brought up, and we have agreed that such difficulties and problems exist. In some cases, we have also agreed on their solution, and in other cases ideas have been proposed that should serve as a basis for subsequent analyses to determine more precisely whether the solution would be advisable or not.

But in any case, no matter what the methodology or planning procedure we use and apply, and no matter how appropriate they are, we will always have to face unavoidable negative factors, determined by the specific situation of our country and our economy.

Our country is underdeveloped, dependent on a supply source thousands of kilometers away that is also experiencing the consequences of unpredictable factors in its economy, even though it is more highly developed and just as well planned as we are. Therefore, at certain times this source cannot completely or partially meet its supply obligations to our country as agreed upon, or at least within the necessary time period. These commitments are among the assumptions upon which our plans are based.

Moreover, our economy is very open; it depends a great deal on foreign trade, in other words, on elements that are beyond the control of our institutions, outside our government. Within that sphere, to a lesser but still significant degree and with many repercussions within our entire economic structure, our economy depends on export and import trade with the capitalist bloc, where naturally the laws of the market economy prevail.

We are also dependent on a single product, sugar, whose prices are possibly the most unstable on the world market. They undergo more drastic and greater changes over a short period of time than any other, rendering it impossible to make any predictions, no matter how conservative and realistic we try to be. Furthermore, sugar production, being an agricultural sector, is subject to climatic factors that in a matter of months can make a difference of a million tons or more in our production calculations. Other major Cuban exports such as tobacco and citrus fruits are subject to similar forces.

All these imponderables play a key role in determining whether the plan that is drawn up will be more or less consistent with actual results.

On the other hand, we must bear in mind that we do not have reserves of material or financial resources to counter the adverse effects produced by these elements of uncertainty.

The only way to run a socialist economy, however, is through planning, regardless of how imperfect that may be. Therefore, we must plan, and for that purpose we must seek the most appropriate mechanism. Perhaps the one we are using is not the best.

But we must not labor under false illusions and think that methodologies and procedures alone will provide the solution to our problems; we must cope with those problems in other ways, too. Nevertheless, all of us should strive to improve and readjust our planning mechanisms as necessary, without any taboos or untouchable methodologies or procedures. We must try to be as flexible as possible, to utilize all factors as much as possible, always aware of our objective limitations, of the factors of uncertainty that we cannot avoid and that no one can predict with 100 percent certainty.

We must struggle to be as realistic and conservative as possible in our calculations, to improve our forecasts and to ensure that our economic policy--

more important than the planning system mechanisms themselves--helps us to manage and direct our resources in the best way so as to reduce our dependence on the foreign market and the capitalist bloc, to improve our economic structure, and finally to depend less and less on the uncertain factors we have mentioned. This task will undoubtedly take years to complete.

Above all, we must struggle to extract the utmost from our available resources, especially during times of shortages of planned resources. We must try to make up for the shortage of the resources initially called for in the plan by being more efficient, for we have no reserves.

The specific situation we have referred to obliges us not to abandon planning, not to relegate planning to a secondary position, but on the contrary, to give still more attention to the planning process, to be still more careful in drawing up our plans, more exact in our calculations, more demanding in our planning discipline and in enforcing the methodologies and procedures established independently, which may in some cases not be the most appropriate or adequate. We must work incessantly to improve our regulations for the consumption of material resources, our budgetary regulations, and our labor standards, in order to achieve the most perfect possible planning, and then, to have the most flexible mechanisms so that they may be adapted in practice to the specific circumstances under which we must execute our plans.

The matter of investment has been discussed, in terms of the problems encountered in this process. Here, too, there are inadequate and incorrect mechanisms that must be rectified and modified. There are also serious discipline problems in complying with established investment regulations, the process of coordinating the various factors, etc. In this area as well, we should strive to change everything that needs to be changed, to provide flexibility and to decentralize all the decision-making that can and should be decentralized, but at the same time we should try to be disciplined in obeying the guidelines and legislation governing this sphere.

As for the operative economic autonomy of enterprises, a constant battle is necessary to ensure that they have the autonomy they should properly enjoy, precisely in order to achieve more efficiency in the use of available resources, even under the economic conditions that prevail today. As we know, these conditions do not favor the development of this economic-operative autonomy as initially foreseen in the conception of the Economic Management and Planning System, at least in some aspects. This is because a shortage of a product that was included in the plan means that all the enterprises to which that supply was assigned cannot obtain that product, and therefore priorities must be determined in a centralized manner based on available supplies of the scarce resource. The product has to be channeled toward those areas of production that are deemed most important, and the supplying and purchasing enterprises do not have the freedom to choose how the supply plans will be carried out. These plans will inevitably be affected by decisions, sometimes made by the agency that has jurisdiction over the enterprises, sometimes by the agency that keeps track of supplies of the product; but often these decisions are made at an even more centralized level, because it is a question of scarce financial resources in the form of foreign currency reserves that will be required at a given moment to obtain the goods called for in the imports plan.

But we can keep to a minimum the directive indicators imposed on the enterprises, and provide them with maximum opportunities, within certain regulations, to make marginal products and to use idle resources, so that they can implement all their initiatives and adopt measures for the use of resources and the development of products that cannot be centrally planned. We must take into account the limitations imposed on us by our country's present situation, which is expected to extend into the near future, so that we will not attempt at all costs to apply mechanisms that are theoretically correct but not suited to the specific circumstances of the moment. Moreover, we cannot use the shortage of resources as a pretext for preventing enterprises from managing their resources as autonomously as possible, seeking maximum efficiency in the use of such resources. This does not in any way detract from the authority of the Agencies of the Central State Administration and the People's Government Organs.

Economic contracting is another mechanism of the system that must become more flexible, as we have discussed here, in order to adapt it to the situation we face. It is not a matter of abandoning the contracting mechanism; moreover, this is the time to give the utmost attention to this mechanism, because it can help us in the efficient management of enterprises, to commit each enterprise to maximizing its potential and feeling an obligation to be responsible to other enterprises in terms of its activities, to the extent specified in the economic contracts. The plan is not enough, nor are the directive indicators that are imposed (which should be kept to a minimum to facilitate the economic-operative autonomy of the enterprises); as a complement to them, we must also have a detailed commitment to client enterprises or to supplier enterprises, and this can be done only through the economic contract.

Incentive Funds Promote More Efficient Inter-Enterprise Activities

With regard to the material incentive funds, which have also been discussed at this meeting, the role to be played by these funds in our Economic Management and Planning System should be emphasized and made sufficiently clear to everyone.

These incentive funds or prize funds are not the principal source of income for our workers; they do not serve as the primary means to implement the law on distributing income according to work. That is achieved through the wage system, complemented by the bonus system.

The incentive funds are designed to be a means of pressure and stimulus in order to achieve more efficient inter-enterprise management, to motivate workers collectives and business managers to fulfill their quotas and their commitments to other enterprises as efficiently as possible, and to cooperate actively with the enterprises that have obligations to them so that the latter can be met in turn. This is true of all enterprises, be they construction or transportation firms, or suppliers of raw materials or any other resource.

The prize can be awarded only if there have been economic results for the country, not just if efforts have been made, no matter how laudable. We should use other means to express our recognition of the collectives that have made a special effort while not attaining the results that would win them prizes. The prize is won only when there are economic results. The prize cannot be lost, only won. Not winning a prize is not a punishment. All the workers of our country must be convinced of this, so that the prize does not become a mere wage increase that we owe regardless of the results obtained for the national economy.

When rises in the efficiency indicators necessary to qualify for the prizes do not take place, even if it is the fault of another enterprise or is attributable not to any enterprise but to the imponderables that must be dealt with in our economy, it is not possible to distribute the prizes, because the country simply has not created the resources that would make the prizes possible. We would be deceiving ourselves if we handed out what did not exist, and furthermore we would kill any motivation for a more active inter-enterprise effort if every time a company did not meet its obligations through the fault of other companies linked to it, we adapted that company's plan to make it easier to win a prize. We know that sometimes business management is unable to solve problems, but we should maintain the incentive for this activity to achieve as much as possible, because we also know that one of the weaknesses that are widespread in our economy is the lack of sufficient management.

For this reason, in the new situation we will have to face in the coming years, even when enterprises are forced by the country's resource limitations to formulate plans that will prevent them from winning prizes because they cannot set efficiency growth rates higher than those of the previous year, it would still not be right to help them win prizes. They should receive prizes only when they have achieved results higher than those of the year before, as established in the indicators, and if they earn the profits required for the prizes. The workers of these enterprises, as Fidel said last 26 July, will have their workdays cut back if necessary, affecting their income as little as possible. That is, they will maintain a high percentage of their wages even on the days when they don't work; but it would not be logical to grant prizes to such enterprises. In addition, special treatment should be afforded them through the bonus systems and other incentive mechanisms we should strive to implement; these incentives should at this stage promote concrete efficiency objectives, such as savings of raw materials and imports from capitalist countries (especially fuel), import substitution, increasing exports, etc.

Moreover, although it is envisioned that unprofitable companies may also participate in the process of forming incentive funds, this should not be applied indiscriminately by incorporating enterprises with a high degree of inefficiency; these firms could, with elementary organizational measures and internal economic improvements, eventually become profitable through the existing wholesale pricing system. In incorporating unprofitable enterprises into the mechanism of forming funds, we should be more demanding, rigorous

and scrupulous than in the case of profitable firms, although the latter should also meet the established requirements.

There must be unanimity of opinion and a full understanding of all these issues at all levels of our country's leadership, and in all our organizations: in the Party at its different levels, including the committees and nuclei in our enterprises; in the labor organizations, from the national level to the bureaus and union locals; in our state apparatus, from the ministries to the management of enterprises and establishments; and among all our workers. We must develop the knowledge and information of the masses concerning the incentive funds, the role they play and the reasons for the policy we have adopted regarding this mechanism.

As for the socio-cultural funds, the Central Organization of Cuban Trade Unions (CTC), the labor unions and the state agencies must work under the direction of the Party to study ways of offering a realistic material counterpart that conforms to the various areas originally earmarked for spending. They may have to reject some of the items included in the plans for those funds that are not objective or capable of being satisfied at this time, because if on many occasions the plans cannot be implemented for lack of resources, it will be even more difficult to respond to unforeseen requests by various enterprises that have not obtained socio-cultural funds as prizes. We must also be realistic in that regard.

Strive to Apply Regulations Responsibly Without Confusing Principles with Procedural Questions; Discipline in Enforcement

We must strive to apply responsibly the regulations that will be established, even if we are inclined or willing to modify them whenever necessary, to adjust them to our specific situations, to improve them constantly, not to consider them immutable, and not to confuse mere questions of procedure with principles; but we must be disciplined in our enforcement of the established regulations.

As Fidel has stressed, we must be rigorous and conscientious at all times, but above all during the present times and those we must be prepared to face in the future. There is a lot of laxness, and I think many of the problems we have had and still have lie not in the deficiency of the established mechanisms, or not so much in that deficiency, but rather in ignorance of them and failure to comply with them.

When procedures are not observed and the timetable of the plan is not followed, so quality suffers and there is less time available for other phases of the planning process; when the break-down of figures is supplied only partially to enterprises and some categories are sent separately from others and in an untimely manner; and when it is not explained to enterprises and workers why certain opinions or proposals expressed by them were not taken into account in the final figures, that constitutes laxness.

When economic contracts are not signed according to established regulations, and within the established time period; when state arbitration services are not used in cases of default, that is laxness.

When requests are made for statistical information that is not authorized in the National Statistical Information System or in the Complementary System; when businesses' inventories are not kept duly up to date with the corresponding code and price; when enterprises are behind in their accounting records; when the basic units of enterprises are not properly inventoried or identified; when the deadlines for reimbursement for general repairs undertaken with funds from the current operations fund are not met; when wage repayments are not made to the National Bank within the specified time period; when the deadlines are not met for making deposits in that bank; when collection orders are not submitted to the bank on time; when the credit plan is not submitted to the bank on time; when unofficial prices and rates are charged; when the decree on direct hiring is violated; when Decree 68 is violated by not declaring idle inventories; when all these things happen, there is laxness. And this laxness certainly does not help us ensure that the established mechanisms function properly; moreover, it prevents us from determining to what extent these mechanisms are effective.

An important objective we should outline and pursue, at the conclusion of this National Meeting, is for everyone to strive for the necessary economic and financial discipline in carrying out everything that has been stipulated, in not violating any rules even if it is felt that modifications are called for, and at the same time in helping the governing agencies and the National Commission prepare to take the most effective action in modifying everything that is deemed appropriate for modification and correction. In reality, we should recognize that along with laxness, there are also snags that prevent the smooth operation of the governing agencies, as we have seen in this very meeting, and of the National Commission. These organizations are thus impeded in their search for solutions and their efforts to handle problems with flexibility, to exercise control and to provide the orientation that is our responsibility.

As Fidel said at the conclusion of the last monitoring meeting, we should "all struggle to provide maximum support for the application of the System, so that with our backing, with our effort, we will be able to overcome the laxness that still exists, the indolence, the carelessness and even the underestimation that may exist today."

As we strive to be responsible in implementing the mechanisms of the Economic Management and Planning System, to improve and perfect it constantly, and as the system becomes a task of major importance at a time when we need more efficiency than ever, we should constantly guard against possible political or ideological deviations that might arise in the process of applying such mechanisms. Some significant deviations have already emerged, linked in one way or another to the application of certain mechanisms: this has happened with the Free Farmers Market, and with the mechanisms for hiring self-employed workers and hiring employees for a fixed time period. We must combat these deviations constantly and prevent them from arising in the first place. Furthermore, resources have been diverted and truly criminal attitudes have been observed. These deviations have come about partly because of a lack of foresight, deficiencies in the mechanisms, and also failure to comply with regulations. Perhaps if these mechanisms, regardless

of their deficiencies, were enforced just as they were designed, these deviations would not have occurred, or they would have been less significant.

We must maintain constant vigilance on all levels of the Party, the state and mass organizations to prevent these phenomena, so alien to socialism. We must dedicate our efforts to modify and correct, or to complement any component of our system that might contribute to these phenomena. We must always remember that our Economic Management and Planning system is a factor that should contribute to efficiency, to the development of an economic consciousness among our cadres, to the effort to obtain more from the same resources. We must also be cognizant of what Fidel pointed out in his Report to the First Party Congress: "No system in socialism can replace politics, ideology, the people's conscience; because the factors that determine efficiency in the capitalist economy are different, and cannot exist in any form in socialism. The political, ideological and moral aspects continue to be a fundamental and decisive factor."

Fidel went on to say: "These are mechanisms to try to improve efficiency, certain incentive mechanisms that contribute to this end; but we cannot for a moment think that these mechanisms will solve all our problems. That in no way means the slightest reduction of the Party's role, the role of the state in governing these activities, much less the role of the political and ideological education of the masses."

"If we thought for a moment," concluded Fidel, "that simply by applying this Economic Management and Planning system our enterprises can function magnificently and will be able to solve all their problems, and that therefore we can slack off on our ideological work with the masses or that we can ease up on moral incentives, that would be a serious error."

We must always bear in mind these guiding words that Comrade Fidel uttered in his Central Report to the First Party Congress, as we strive to apply the mechanisms of the Economic Management and Planning System.

But at the same time, with the same care and revolutionary vigilance, we must struggle more than ever to achieve the responsible application and improvement of the mechanisms of the System, taking into account the difficult circumstances we face in the economic sphere, the probability that we will have to cut back our development plans over the coming years, and therefore the accentuated need to extract the maximum from available resources, to work with greater efficiency and with the most effective management techniques; to struggle, in sum, as Comrade Fidel exhorted us in his report to the Second Party Congress in late 1980: "to develop and perfect to the utmost all the mechanisms of the system as a revolutionary duty, a political duty for all, the Party first of all, and the central organs and agencies of the state, the enterprises, workers, mass organizations, economic and administrative cadres, and all the leaders of our economy, to struggle faithfully and to do our best to carry out our goal and decision to apply the system, no matter what the present deficiencies."

Thank you very much.

8926

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ENDERS, U.S. LATIN AMERICA POLICY CRITICIZED

Havana GRANMA in Spanish 6 Oct 82 p 6

[Commentary by Luis M. Arce: "Shamelessness to the Third Power"]

[Text] Thomas Enders is an immodest fellow. To be sure, I am not saying anything people do not already know.

In Costa Rica — like the gorilla trained to frighten little children under the circus tents — he has just uttered an unacceptable threat against Nicaragua.

"In Nicaragua," he said, "a way must be found of preventing the ever greater concentration of power, militarization and increasing repression of its citizens as well as the danger to its neighbors. Of all of these, the problem of Nicaragua is the most pressing."

Devoid of all modesty, Enders is excited over the so-called militarization of Nicaragua, while the very administration he represents is arming its puppets in the area to the teeth.

Uttered at a forum at which emissaries of the governments of Honduras and El Salvador were present and having as its basic goal the Symms Amendment, designed and structured as a key to open the floodgates to imperialist aggression against Cuba and Central America, this declaration of Enders is more than enough for any threatened nation, like Nicaragua, to fill its cartridge belts with bullets and wait for the attack in the trenches.

It is public knowledge that the U.S. Government promoted a meeting of foreign affairs ministers from nine Central American and Caribbean countries to find ways of with the greatest impunity launching an attack on Sandinist Nicaragua with the tacit support of an alternative forum to the Inter-American Reciprocal Assistance Treaty (TIAR) and the Organization of American States (OAS), both of which were turned into powder kegs after the embarrassing Malvinas Islands episode.

We do not want to go into historical considerations now. But the role the Pentagon and the White House have assigned the Honduran Government in their determination to liquidate the Sandinist revolution is sufficiently well known

and positive proof of this are the attacks daily produced from the Honduran side of the border against Nicaraguan territory, the shelter Tegucigalpa offers the remaining Somoza followers who are encamped and openly train in that country and the facilities provided the American armed forces, which have virtually taken over Honduras as a military base for their operations in the Central American theater. In payment for rendering such vile and servile service, the Honduran Government "benefits" from loans and other economic assistance from the White House.

Symptomatic of the situation is the fact that a country like Nicaragua was not invited to attend a meeting of Central American and Caribbean foreign affairs ministers and that governments like those of Venezuela and Mexico refused to attend it.

As the focal point against which Enders' two most violent attacks were directed, it was only natural that Nicaragua was not invited. Venezuela and Mexico, whose governments recently presented a reasonable proposal aimed at achieving a peaceful, negotiated solution in Central America, naturally failed to attend a meeting at which the American representative would suggest just the opposite of that.

In contrast with this and clearly demonstrating the antipopular disposition of the imperialists is the fact that these threats and this hostility are being stepped up at a time when the Sandinist revolution is reaping its first successes in the social effort, in particular in the fields of public health and education. Just yesterday, we published a news item to the effect that, for the first time in the history of Nicaragua, not a single case of poliomyelitis has been recorded this year.

To the ignominy of an America that more than ever needs to implement the ideas of the liberator [Bolívar], the Costa Rican forum constituted more than ever a White House juggling act to invalidate initiatives in favor of a solution to the Central American conflict and an irritating attempt by the Reagan administration to divide the nations south of the Rio Grande into opposing factions.

Unfortunately, at the sound of the Yankee whistle the governments of El Salvador and Honduras are getting ready to attack their neighbor, Nicaragua, as the Nicaraguan authorities have already repeatedly reported. Enders' statements in Costa Rica are inciting them to just such an adventure.

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U.S. GOVERNMENT USES MEDIA IN 'PROPAGANDA WAR'

Havana GRANMA in Spanish 6 Oct 82 p 2

[Commentary by Roberto Alvarez Quinones: "Radio Propaganda and the U.S. 'Brain-washing' Machine"]

[Text] Long before the CIA saw the light of day (1947), from the very beginnings of radio in the first quarter of this century, the Yankee imperialists were already pioneers in the utilization of such an important invention for propaganda and diversionary purposes, in the interest of its expansionist ambitions for the entire planet.

Thus on 25 May 1924, under the cover of the Pan-American Union (which was later to become the OAS), the American Government began broadcasting to our America, regarded by Washington as its neocolonial "backyard."

The operation undertaken by the Pan-American Union was imitated by the National Broadcasting Corporation (NBC) and the Columbia Broadcasting System (CBS), which also began broadcasting on short wave to Latin America. But, as private commercial enterprises, the NBS and CBS broadcasts did not satisfy the objectives of the White House government's official propaganda strategy, which is why the government itself began to take the steps necessary to completely control this propaganda.

We must say that in those days too, when Adolf Hitler had assumed power in Germany in 1933, in their plans for world domination the Nazis assigned extraordinary importance to radio propaganda. In that same year, 1933, Joseph Goebbels declared that radio would play the same role in the 20th century as the press did in the 19th. The importance assigned by Nazi fascism to the mass communications media, propaganda and radio was shaped in 1933 too with the creation of the first ministry of propaganda ever to exist in the world up to that time.

Then, from its beginning in 1924 with radio propaganda under the auspices of the Pan-American Union, the American Government dedicated the next 15 years to the organizing of its own radio network to launch a new phase, the radio war. With the creation of the Princeton Listening Center in 1939, the first organization dedicated to the study of foreign radiobroadcasting appeared and its mission was to listen to, transcribe and analyze foreign broadcasts for the formulation of "recommendations."

Through this channel on 24 February 1942 Washington arrived at the creation of the Voice of America (VOA), for which the artisans of Yankee propaganda adopted as their motto the Goebbels maxim that a lie persistently repeated over and over again ends up "becoming a truth."

As we can see, since the invention of radio the U.S. Government has devoted itself to the task of employing it for state propaganda purposes in close association with the Yankee secret services and espionage operations. And gradually radio propaganda was becoming another form of aggression, the radio war, based on false information, slander, ideological sabotage, psychological warfare and the technique of "getting people to believe."

During the course of World War II radio propaganda contributed to the anti-fascist struggle, but once the war was over such propaganda became a weapon of propagandistic aggression against the Soviet Union and other socialist countries, against any progressive and revolutionary movement there was in the world, against peace.

This very day radiobroadcasting continues to be one of the chief Yankee means of realizing their anticommunist, warlike and counterrevolutionary propaganda, propaganda the American state machine directly directs. The CIA, and to a lesser extent the Pentagon, controls "gray" and "black" radio propaganda beamed abroad, a fact that has been more than substantiated.

With respect to the Pentagon, its propaganda machinery is less well known than the CIA's, but not any the less incredible because of that. Above all, we must point out that the Army, the Navy and the Air Force have their own "psychological warfare services" and their schools for training propaganda experts.

Outside the United States, the Pentagon has about 300 radio and 38 television stations scattered throughout the world and the strange thing about it is that, as an ex-State Department official, F. Coombes, admitted, "the audience for these stations is over 20 times as large as those who listen to the Voice of America programs."

Of course, the Pentagon not only broadcasts its own propaganda programs, included in the Armed Forces Radio and Television Services (AFRTS), abroad, but also rebroadcasts those of the Voice of America. The Pentagon radio and television service has its approximately 300 stations grouped into five networks. One of them operates in the Far East and the others on the islands of Honshu and Okinawa (Japan), in South Korea and the Philippines. Over 60 radio transmitters broadcast their ideological poison and misinformation from U.S. Navy ships anchored off the coasts of Asia, Africa and Latin America. According to the review, U.S. NEWS AND WORLD REPORT, the Pentagon produced 3,560 radio and television programs in a single year.

In general, the Pentagon's radio and propaganda machinery is of such magnitude that American historian Theodore White has described it as "the most perfect brainwashing system the world has ever known."

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PIONEERS ORGANIZATION REVIEWS 1981-82 YEAR

Havana BOHEMIA in Spanish No 42, 15 Oct 82 p 55

[Article by Oscar F. Rego]

[Text] The Organization of Pioneers had planned, among its objectives since the past 1981-82 school year, to convert every palace, camp and explorers center into a model of operation based on taking maximum advantage of their resources and capacities and raising the educational influence that the pioneers should exert.

These pioneer installations represent an ideal complement to our education system. A purpose of recreation, physical and spiritual development and entertainment prevails at all of them, and that is the fundamental objective of taking our young students there. However, these installations have other functions aimed at strengthening the habits and good conduct of the youngsters and at directing efforts toward vocational development and professional orientation.

The latter responsibility is particularly assigned to the Palaces of Pioneers whose purpose is the technical, scientific, cultural, athletic and patriotic-military development of the pioneers according to their interests and ages.

At the fourth national plenum on the work done by these pioneer installations during the past school year, it was reported that the 35 palaces available that year offered 92,681 spaces and 94 percent of them were used. There was enthusiastic work aimed at taking maximum advantage of the activities plan and, in general, positive objectives were proposed for the distribution of registrations according to the type of activities. The education sector maintained systematic technical-methodological counseling on the drafting of programs. The palaces operated 5,364 interest clubs of the country's 45,000.

The fourth plenum made a rigorously critical analysis. Deficiencies were noted in the development of the registration process; in the selection of pioneers for membership in the clubs so that interest is maintained as the foundation of vocational work; mechanical memorization and repetition of

learning in some vocational groups, which keeps the children away from practical learning; and incomplete counseling of the instructors. Although progress has been made in massive activities, there still has been no success in converting the palaces into fundamental places for community activities of the pioneers.

It was learned that there will be 61 palaces by December 1982. A total of 20 teaching-recreational camps operated during the past school year with 100-percent use of anticipated capacities. Management organizations increased their attention to these installations where municipalities and provinces made 308 specialized inspections and visits. The National Bureau of the UJC [Union of Young Communists] also increased its interest in the camps. All this work has led to direct interrelationship between the installations and the leading organizations of the pioneers and UJC.

The role which adults should play in this task improved in quality, but the training of adults still has not reached the required levels. Difficulty encountered in the training of guides, especially for the vocational plan, has been the most generalized deficiency. The greatest effort must be in that direction, and on the selection of groups because the right to enjoy these centers must be earned by merit, discipline, good school work and fulfillment of the requirements of pioneer emulation.

Significant progress was made in the organization and development of activities by linking the programs of the camps and participating groups and consolidating the Summer Festival with assorted activities of greater acceptance. Plans call for more than 430,885 pioneers and adults to use these centers during the current school year.

The 1981-82 school year also represented a period of progress in the creation and operation of Explorers Centers, which have become important sources of recreation and learning for the pioneers. The facilities of the 38 installations of this type were enjoyed by 111,984 pioneers and 8,721 adults. The results at the "Volodia" center in Havana and "Batalla de Guisa" center in Guantanamo were outstanding.

Despite such achievements at the existing centers, the nature of a camp has prevailed in some of them instead of an explorers center. The principal mission of these centers is to receive organized groups, help them with their training, impart them new knowledge to enhance their cultural and general development, and to assign them specific new missions of collective and individual participation. Progress has been made on this movement. It is expected that the current figure of 212,005 [participants] will rise to 500,000 by the end of the year so that these youngsters can become what Fidel has said of them: Vanguards among vanguards and communists among communists.

At the main commemoration of "children's day" held at the Provincial Center of Pioneer Explorers on El Taburete hill, Pinar del Rio Province, the commander in chief spoke of a new type of small installations that were beginning to operate at agricultural-livestock production cooperatives with

the latter's own resources and potentials. Their aim is to offer a broad plan of activities that will contribute to the complete development of pioneers who are children of members of the cooperatives. It is an initiative concerned with vocational and recreational orientation: Pioneer Farms.

Five pioneer farms with a membership of 203 pioneers were established over the 1981-82 school year. Productive tasks were done on gardens as a way of channeling the aptitude of peasant children toward agricultural production. Matanzas Province started this type of installation, and by December there will be 10 more pioneer farms grouping approximately 400 children and youths. The ANAP [National Association of Small Farmers] has encouraged this idea enthusiastically.

Delegates of management councils of the installations, political and mass organizations, and central administration agencies participated in the fourth national plenum. Such participation reflects the importance which the party and state attach to this work.

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FIRST GROUP OF FAR MEDICAL DETACHMENT PROMOTED

Havana VERDE OLIVO in Spanish No 41, 14 Oct 82 p 55

[Article by Luis Lopez]

[Text] The first group of military medical cadets numbering 55 lined up in front of the Granma Memorial, ready to begin the swearing-in ceremony.

They had been selected from among 600 medical students from across the entire country who had answered the call to study that profession in the armed forces.

They were not waiting for the start of the ceremony, dressed in their olive-green uniforms and somewhat emotional. The call to "Attention!" made them stand stiffly as they had been taught during the 45 days of combat preparation that they recently completed and during which they were instructed in various military subjects.

The standardbearers occupied their positions to the right of the group, and immediately the tune of the Cuban national anthem was heard.

"We swear," they kept answering again and again. Their voices were clearly audible and they seemed to fill the historical place where 25 years earlier a handful of youths sacrificed themselves to fulfill their promise of sanctioning the dictator [Fulgencio Batista].

The date could not have been more timely to initiate these youths into the military medical career. These are the days when homage is paid to Camilo [Cienfuegos] and Che [Ernesto Guevara], whose personal and revolutionary virtues earned them a spot in the hearts of the people. These youths were aware of all this as they swore loyalty to their country, socialism, the revolution, and the party.

The reason for their decision was expressed by [cadet] Leslie [Sainz Cruz] who noted that this generation is called upon to move to the fore to fight an enemy whose favorite weapon against peoples is chemical warfare. "And what better way to do this than by being a military medical personnel?" Specifically, in her case, she mentioned having personal reasons for joining the FAR [Revolutionary Armed Forces]. "My mother is the first lieutenant

who has just read that greeting in the name of our relatives." And Felix noted that he found in this medical calling the possibility to combine his professional vocation with a desire to belong to the armed forces: "I always wanted to be a doctor and a soldier and for that reason I did not have to reflect long about joining."

Cadet Justo Mendez stepped out of the formation to receive from the hands of Pvt Jorge Romero the rifle symbolizing the people's complete trust in them for the defense of the homeland.

First Lt Percida Chibas had difficulty containing the emotion that she felt as a revolutionary and as the mother of Cadet Justo. How many things must have passed through her mind at such a moment! How many years must have been telescoped into seconds, how many sleepless nights and concerns before seeing him today, erect, as he stood with his rifle at rest! But how much pride, too, she must have felt on knowing that he had chosen the right way. She must have been thinking that the sacrifices were not in vain, that the seed had borne fruit.

These thoughts seemed to cross the minds of each of the parents watching the ceremony in the most absolute silence. I do not know whether this was because of their thoughts, the emotions that filled their entire beings, or because they were making a forceful effort to hold back the tears which finally gushed and ran down their cheeks in silence.

The ceremony was over. Then followed the congratulations, the greeting by relatives which occurred right away and which blended with those of the officers of the Luis Diaz Soto Advanced Institute of Military Medicine.

Among them was Maj Rene Gonzalez Duena, candidate for the degree of doctor in science and second in command of Faculty 2. In a brief talk he told us how important this first group of cadets was for the Revolutionary Armed Forces.

"So far the training of military medical personnel has been done as a specialty, after they completed their course. The advantage of the system now put into practice is that even before graduation the student receives, together with the regular assignments entailed in his or her medical studies, specific instruction in military medicine, both for peacetime and wartime.

"But we shall not stop there. In the near future the institute will also teach the basic sciences, that is, from the first year of the curriculum. This also implies better training as FAR officers.

"The prospects for the cadets are wide," Professor Gonzalez Duena noted at last. "Once they have graduated they will go and serve in military units and hospitals. Upon completion they will return to the institute to receive specialized instruction and they will be able to continue their studies until they reach, if they wish, the level of becoming candidates for a medical degree."

A lot is expected from these youths. They will be the future specialists in medical care for ground forces or submarine crews or air crews or perhaps field medicine or surgery, among the other specialties available to them.

But what is expected most from them is that with their contribution and dedication to the profession which they have chosen they will help to maintain the medical services at the level of development required by the armed forces and that they will contribute through this to making a medical power out of Cuba.

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NEED FOR FIRMNESS IN ARMED FORCES DISCUSSED

Havana VERDE OLIVO in Spanish 21 Oct 82, No 42, pp 36-39

[Article by Maj Roberto Echeverria Stable, professor at Gen Maximo Gomez Baez FAR Academy: "Activity of the Chief Section: Demand--Pedagogic Condition"]

[Text] Army Gen Raul Castro, second secretary of our party and minister of the FAR, gave a speech commemorating the sixth anniversary of the EJT [Youth Labor Army]. He stated that lack of demand, as emphasized in the resolution of the Eighth Plenum of the Central Committee and denounced by its first secretary, Commander in Chief Fidel Castro, is a negative and very pernicious phenomenon that affects all spheres of our society. It is necessary to begin to eradicate this with the same urgency with which the worst plague is fought.

The FAR, as a sphere of activity of the society where the negative effect of lack of demand can have very harmful consequences, must respond to the call made by our party by fighting this situation, increasing demand to levels that guarantee the high combat readiness of our units.

The importance and role of demand in military life have always been stressed in training FAR cadres. However, we feel it is appropriate to refer to this matter that is of such vital importance to our society in general and the FAR in particular.

Due to its objectives, content and results, demand in a socialist society is a condition that can be analyzed from the political, economic, legal, military and moral point of view, among others. We understand, though, that it must especially be analyzed as a pedagogic condition since it is a basic means used for the formation of the new man who is characterized by great discipline, strong character and an iron will, among other features.

Basic Principle of Communist Education

Cuban military pedagogy conceives of demand as a basic principle in the communist education of soldiers, especially the command cadres at all levels. It does not conceive of it without proper respect for the personal dignity of the soldier and without proper concern for him.

Makarenko, a distinguished Soviet pedagogue, stated: "My basic principle has been to demand the maximum from individuals while respecting their personal dignity."

Socialist military pedagogy, based on this idea and taking into consideration the practice of communist education in the armed forces of socialist countries, formulates the principle of coordination of demand on subordinates with respect for their dignity and concern for them.

This principle of the education of our soldiers reveals the human nature of the FAR and its noble objectives in the formation of a new soldier.

Demand encourages the completion of tasks, mobilizes man's internal forces, motivates him for action and lifts him to a superior level, demonstrating his potential for fulfillment of the assigned mission. These are the so-called immediate results. On the other hand, it develops a great sense of responsibility in him, punctual fulfillment of his duties and his abilities to make timely decisions in difficult situations, strengthens his character and will, makes him intransigent, reflective and profound in his analyses, permits him to correct his deficiencies and develops his self-critical spirit. These are the long-term results.

To achieve these objectives, demand must be a permanent feature of man's environment. In his research on man's advanced nervous system, Pavlov demonstrated that impressions on the atmosphere that surrounds him are consolidated in him through ties to the cerebral cortex. According to this doctrine, the impressions that demand produces as part of the environment can be consolidated in this way in the soldiers.

Based on this doctrine, it is necessary to remember that if the demand in the environment is not systematic, this system of ties in the cerebral cortex does not take place to subsequently be demonstrated in the conduct of the soldier. Only repeated actions lead to the formation of dynamic stereotypes that are the bases of the habits and customs that must be formed in the members of our FAR.

If we keep in mind that disorganization and lack of consistency in demand slow down the formation of certain conditioned ties and dynamic stereotypes in the soldiers, we reach the clear conclusion that, as the minister of the FAR stated in the speech mentioned above, "it is not a matter of having a campaign." If it is used only as part of a campaign, it will never be converted into a stable element of the soldier's environment and, therefore, will not produce the necessary psychological influence to develop moral and combat qualities in him that combat now demands.

The first secretary of our party told the National People's Government Assembly that demand was the number one word in the incessant daily struggle that had to be fought against softening and permissiveness and for stronger discipline. This idea of our commander in chief demonstrates that demand cannot be applied one day and not another. It is necessary to practice it every day wherever necessary so that no one remains unaffected.

Due to its content and objective, this will always be a word of order regardless of the level that our society, and with it the FAR, reaches. In a society

where order, stability and complete developmental planning reign, demand will always be the basis of daily work.

The fact that this pedagogic condition is a word of order does not mean it should cause manic behavior with "demands" breaking out everywhere. As the second secretary of our party emphasized, "it is a matter of being demanding calmly, maturely, thoughtfully."

Pedagogic Requirements of Demand

In order to achieve these educational objectives, demand must be more than a constant, systematic part of man's environment. Other pedagogic requirements are also necessary for its application.

"That the personal dignity of the soldier be respected--that is, that he not be humiliated or insulted with rude, disrespectful, offensive and prohibitive words."

Anyone who, in order to make demands of a subordinate, immediately makes his deficiencies public will only achieve a negative reaction toward the proposed objectives. If the dignity of the subordinate is not respected, demand does not motivate him to action and does not develop his potential. It generates a hostile attitude in him toward the one who applies it which affects its educational nature.

"That all the material as well as spiritual needs of the subordinate be attended to--that is, that there be concern for the soldier."

To demand and only demand the fulfillment of an assigned task or observance of a regulation or a rule of social conduct is a unilateral position that only means watching for the fulfillment of duties and ignoring the rights of subordinates. The chief must answer for the subordinate's fulfillment of his duties as well as for the guarantee of the subordinate's rights: combat and political training, food, rest, recreation, clothing, etc.

For example, sometimes every measure is applied when a soldier is not ready on time to go on guard duty but the same is not done when he does not receive the full amount of rest time that regulations provide before beginning this duty.

When a chief combines demand for fulfillment of duties by the subordinate with zeal to fulfill his rights, his authority will grow and there is a better atmosphere to establish greater demand. The unilateralness of the chief is decisive. If he only protects rights and tries to become a "father" to the soldier, his authority will also sooner or later disappear.

"That demand be accompanied by appropriate self-demand."

The chief's demand on his subordinate assumes rigid discipline over himself; otherwise, any demand loses meaning, does not play an educational role and is merely formalistic. What is asked from others backed by the personal example of the one giving the order becomes a more persuasive command and is morally

justified. Consequently, it is accepted by the subordinates as appropriate without leading to false interpretations.

The most vivid example of self-demand is Com Ernesto Che Guevara who, as Fidel stated in the introduction to the Bolivia Diary, was a fraternal and humane chief who knew how to be demanding and, on occasion, strict. However, he was, primarily and to a greater degree, more so with himself than with others.

Anyone who is demanding on others without applying it to himself is only using empty demagogic phrases to achieve transitory results. Antipathy develops in the soldiers which hinders the educational work.

"That it be just and in the interest of service."

The application of demand must be supported by objective elements and not be dragged down by subjectivism since it is not imposed whimsically. When all the factors that determine a situation are not considered, there is always the risk of making the demand superficial.

To make demand just, it is necessary to consider the potential of the soldier. Occasionally tasks are assigned that are beyond the possibilities of the soldier or beneath them. In both cases, the demand is not just. If one wants to treat a subordinate justly, it is necessary to know him thoroughly.

The justice of a demand is also determined by the interests of service pursued. Only when personal and social interests coincide in the soldiers can optimum educational results be achieved. This makes it possible to mobilize all the internal forces until reaching a good psychological climax to achieve the planned objective. As long as a man does not see the justice of a demand, he will not recognize its educational nature.

"That no subordinate be excluded."

Demand must extend to those who do their work satisfactorily as well as to those who have problems. With the former, it is necessary so that they are not held back in their positions and to prevent self-sufficiency and false self-esteem. With the latter, it is necessary to lift them to higher levels, to the forefront.

If the chief has "proteges" among the soldiers--that is, excludes anyone from demand or applies it halfway--he not only violates the principles of the regulations concerning relations among the military, but he loses authority because the consideration, respect and admiration of the soldiers dissipate. When the chief loses personal authority, it is because his example has disappeared. This considerably diminishes his educational influence on subordinates.

Pedagogic Initiative

The fact that these pedagogic requirements for the application of demand are recommended does not mean dangerous extremes like softening, excuses or pleading. Demand is divorced from these extremes that only weaken its educational objective and military discipline.

The party asks all of us FAR cadres to develop initiatives in our daily pedagogic military activity. This especially permits us to guarantee the educational role of demand.

Extremes in its application are not echoed in the FAR regulations. Therefore, pedagogic initiative in demand on the subordinate continues to be the basic weapon of the officer-educator.

The level of development in the regulation of military life creates the conditions to find the objective, just and educational balance for the application of demand.

If we want these conditions to materialize, we must use theoretical knowledge with initiative, especially those of political and party work, psychology and military pedagogy. We must also use the teachings of the regulations, the experience accumulated in the exercise of command and mastery of the individual and collective characteristics of the soldiers.

We have made a brief analysis of demand as a pedagogic condition, as the nucleus of a principle in the theory of the communist education of soldiers. It is not necessary to view its educational results as isolated from the fulfillment of the tasks of operational, combat and political training, from regulations and the military oath, from the successful performance of guard duty, from the fulfillment of combat missions and from the maintenance of high combat and mobilizational readiness. To the contrary, these are its basic indicators. Where these indicators are high, demand is playing its true educational role.

Demand: Criterion to Measure the Collective

It is part of the pedagogic arsenal of the officer, not only as a principle and guideline of his educational activity, but also as a criterion to measure the level of adherence of the collective which determines its educational potential.

Keeping this relationship in mind, four levels of adherence have been established in the collective.

The first level is when only the chiefs and political workers demand fulfillment of regulations, orders of the day and assigned orders and missions in the collective.

The second level is when, in addition to those mentioned, the leaders of the party, the UJC [Union of Young Communists] and political activists make demands.

At the third level, other members of the collective are also demanding.

The fourth level is reached when this demand is exercised by the immense majority of the collective which, in turn, practices a high degree of self-demand.

In the levels where there is no self-demand by those who demand from others, the coefficient of effective influence on the soldiers can decrease.

A simple analysis demonstrates that, to the degree that this is practiced by a larger number of soldiers, the educational strength of the collective increases. Its maximum expression is achieved at the fourth level of adherence where the demand and self-demand and the individual, collective and social interests coincide collectively and the motivations of the soldier grows stronger. It is at this level where the collective becomes a true subject for education.

To better understand the importance of demand as a criterion to measure adherence and the educational strength of the collective, it is necessary to keep in mind that demand carries a set of ideological, psychological and organizational influences on the mind of the soldier. Its effect will be greater and more stable when the collective nature of its application is greater.

If we consider that demand not only carries the influences mentioned but also, to a greater degree, is a result of these, we reach the basic pedagogic conclusion that political and party work (which, from the psychological point of view, is a set of ideological-organizational influences on the soldier) is the basic means to increase its role, adherence and the educational strength in the collective. The ideological-organizational work of the chiefs, political workers, party organizations and UJC develops qualities in the soldiers such as constant demand, combativeness and intransigence.

Cannot Be Solved Alone

Demand as a criterion serves to measure the adherence of the collective and the effectiveness of the ideological-organizational activity of the chiefs, political workers, party organizations and the UJC because consistent behavior is the result of the ideological level and faithfulness of the communist life of the soldiers.

The problem of demand cannot be solved alone, partly because--as the second secretary of our party stated--this is a phenomenon that affects all society.

Military activity is a basic sphere of our society which is united to many others like the family, education, production, services, etc. Therefore, lack of demand in one of these sectors shows up in others. For example, problems in education in the heart of the family, at the different levels of education and even in nursery schools, show up in the armed forces, in work and social life and in all spheres of society. If this phenomenon shows up in the armed forces, it causes great harm to our defensive capacity and is also reflected in production, services and the levels of education. If it originally shows up in work, it causes serious harm to the economy and to services for the people and is also reflected in certain levels of education and especially in our defensive capacity since most of the individuals employed in these sectors are part of the military reserve.

Therefore, there is only one conclusion: demand is a phenomenon that must reach all society; otherwise, it will not be an effective means in the multifaceted formation of the new man.

If we want to form capable men for life, they must live in an environment of wholesome, educational demand. This atmosphere can be created throughout society because our working class has its vanguard, the communist party, which is the basic leading force, present in all spheres of social activity.

In this fight against manifestations of bourgeois ideology like the lack of a critical and self-critical spirit, negligence, laziness, waste and cronyism, the chiefs, political workers, party organizations and the UJC will respond to the call of our party, elevating demand in the FAR to higher levels and redoubling efforts to eradicate improper conduct from the socialist military ethic.

The necessary conditions have been created for the fulfillment of this honorable task: development of the material and technical base of our armed forces, appropriate ideological, organizational and professional military level of its cadres and, especially, the growing leading role of the party.

If the chiefs, political workers, party organizations, the UJC and the collective of soldiers--who apply demand in the FAR--remember the objectives, content, requirements and other pedagogic characteristics of demand, it will be an effective means for the ideological education of our soldiers, their operational, combat and political training, the successful fulfillment of the assigned missions, the formation of higher moral qualities and the maintenance of a high combat and mobilizational readiness.

7717

CSO: 3248/189

WESTERN ARMY MOTORIZED INFANTRY REGIMENT VISITED

Havana VERDE OLIVO in Spanish No 41, 14 Oct 82 p 56

[Article by Juvenal Balan Neyra, courtesy of the publication EJERCITO]

[Text] When the visitor enters the dormitory of the communications company headed by Lt Alfredo Leyva Jorge in a motorized infantry regiment of the Western Army, he can determine at a glance the human caliber of the men who make up this unit.

At all times the order within is impeccable and we invite anyone who doubts it to pay a visit to that dormitory. Along the passageway that leads us to the quarters we can see the likenesses of the martyrs of the war of independence as well as various photographs of communications units painted with personnel's own means which decorate the place.

There, to the right, facing the entrance of the barracks is the bed of the company's martyrs, Pvt Adalberto Ochoa Infante, who lost his life carrying out a combat assignment.

Above the bed is the photograph of the comrade and next to it is an attractive picture of the heroic guerrilla, the Cuban flag, as well as a glass case containing the biography of Adalberto Ochoa and the uniform he wore at the time of his death.

It is the responsibility of the unit's vanguard members to see to the cleanliness and order of the place. Furthermore, at evening roll-call, the first name is that of Adalberto Ochoa Infante. In the 2 years of combat preparation during which his comrades have obtained their vanguard status in the army, the memory of Adalberto Ochoa, an activist in the UJC [Union of Young Communists] who distinguished himself in the fulfillment of his duties as a military driver, is always present.

This is a characteristic of the degree of discipline and combative spirit which the officers, sergeants, and privates who make up this small communications unit have.

It is not a coincidence that the visitors' book, jealously guarded in the regiment's history room, contains congratulations proffered by various

delegations of friendly countries--among them, that of the commander of the Sandinist revolution, Humberto Ortega, as well as that of Div Gen Ulises Rosales del Toro, member of the Party's Central Committee and first deputy of the minister of the FAR [Revolutionary Armed Forces], chief of the general staff.

"We do not rest on our laurels. On the contrary, these congratulatory messages commit us to do better every day," Lieutenant Leyva told us.

And the truth of his words have been evident for the past 2 years since the communications personnel have not allowed the top position to be wrested from them when it comes to maintenance of equipment, in the fulfillment of the tasks stemming from the instructional process, or simply when each of the members appears in proper dress and demeanor.

"The basic thing in our work is the development of socialist emulation in each of the tasks we have to accomplish. Furthermore, we have to attend to the problems of our subordinates, to know their concerns, and to manage to give them confidence in their leaders in facing any problem," the company chief said.

He added that for his individual human relations he goes by the curriculum vitae which provides all the details of the life of a young soldier, and also makes use of the assistance that the UJC's base organization offers.

"We have an enthusiastic group," he noted, "receptive to our orientations and jealous defenders of the company's interests. In all this, the sergeants who have commands, who assume the responsibility for the missions entrusted to them, play an important role."

A distinguished place in the small unit is held by PFC Elio Cedenio Puga, FAR vanguard member of the 1981-82 instructional year, S3C Fermin Labrada Nurse, and Pvt Mario Fajardo Dominguez, both of them army vanguard members, who at the time of this reporter's visit had received a pass as incentive.

S3C Roberto Vazquez Llorente heads the UJC's base committee and in this respect he told us:

"Every week we analyze the progress in our combat readiness, the weak points that appear, and the direction which we should follow in our major efforts. We make suggestions to the command and we see to it that everyone does his tasks well--the sergeants who have commands, the station leaders and squadron leaders who have the most direct contact with the rank and file."

The UJC leader explained to us the support that his organization gives to Lieutenant Leyva in his individual work with the rank and file. At all times, the activists provide their personal example and exhibit the best attitudes and experience.

In all training, in every drill, maneuver, class, or task, the motive of each member of this company is that of maintaining the honorable place which the company has secured, the fruit of the collective effort. And every year, when the death of the martyr is commemorated, the company's vanguard members appear at Chaparra, Las Tunas, at the home of Adalberto Ochoa Infante, carrying a letter from his unit and a floral offering to be placed on his grave. At that time the combat morale and very humane instructional practices of these soldiers are also apparent, they who do not slacken in their efforts to maintain themselves at the highest level of socialist emulation as vanguard members.

2662

CSO: 3248/162

NAVY UNIT OPENS SOCIALIST EMULATION PERIOD

Havana VERDE OLIVO in Spanish No 41, 14 Oct 82 p 57

[Article by Pedro Prada, courtesy of the publication AVANTE of the Revolutionary Navy]

[Text] Lenin was clever when he defined emulation as the driving force in socialist construction. Which explains the festive atmosphere that we found when we visited this unit of the Revolutionary Navy [MGR]. It seemed that even on that clear and sunny day preparations were continuing for the celebration: The unit which had been proclaimed as the MGR's initiator of socialist emulation in the past 1981-82 instructional year had its merits recognized by being given a banner distinguishing it as such.

We had been there a few days earlier, when the command's decision in this respect was not yet known, but in the words and activities of each personnel member whom we interviewed on that occasion there was optimism and the certainty of triumph. At that time Ship Lt Ramon Garcia Gallardo told us that "we have strived to strengthen military discipline, we have made major positive changes in combat and political preparation, and we have made obvious progress in improving the unit's morale."

WO Silvia Baujin is pleased since she became a vanguard of the MGR this year. The deputy chief for political affairs told us that she is a spirited activist. What is certain is that thanks to her endeavors together with a group of her comrades the activities of those who like culture in the unit became revitalized and numerous recreational and sports activities have been organized.

The seamen have worked hard to improve living conditions and jealously protect the results of their efforts. For that reason, on learning that they would receive the banner, all of them went about like busy bees to bedeck their unit and display its best efforts.

Thus, on reaching the unit it was not easy to recognize it despite the fact that no one had gone far in the last few days. The sailors had been lined up on the parade ground since early morning. At 1000 hours the strains of the 26 July March heralded the arrival of the national colors in the unit.

The order by which the status of initiating unit of socialist emulation in the MGR was granted to the unit indicated that this was due to the sustained effort realized by its chiefs, officers, warrant officers, seamen, and civilian workers, as well as the party and the UJC [Union of Young Communists] organizations.

Vice Adm Aldo Santamaria Cuadrado, Central Committee member of the Communist Party of Cuba [PCC] representing the minister of the FAR [Revolutionary Armed Forces] and commander of the Revolutionary Navy, placed in the hands of the unit's leader the flag which accredited the group as initiating unit of socialist emulation, a banner which the unit will fly from now on, zealously and proudly.

This event calls for a recollection: During the instructional year a high level of combat and political readiness was maintained while the living conditions in the unit were notably improved by the building of new facilities. In record time the unit members undertook and completed defense engineering works. There was also an increase in the number of UJC activists and in the number of classified personnel.

These and other achievements of a group characterized by its unity and the correct relationships between its leaders and subordinates where each individual is preoccupied with strengthening military discipline and preventing violations of the rules and command orders, where each sailor is aware of the honorable mission entrusted to him or her--all this made it possible that at the end of the instructional year the command should decide to bestow the distinctive flag on the unit.

The occasion was an appropriate setting to give renewed vigor to socialist emulation in the FAR. Representatives of the various naval districts and other branches, while they congratulated the unit receiving the status of initiating unit of socialist emulation, responded to the promise and challenge launched by the missile-carrying and torpedo-boat unit recently proclaimed as initiator of socialist emulation in the FAR.

Members of the Central and Eastern Naval District and of other units of the MGR now appealed to this unit which was proclaimed this year as initiating unit to maintain alive the promise and challenge made to the FAR units. The unit members undertook to make a major effort each day and to overcome difficulties, maintain high levels of preparation and combat readiness, and raise the political level of the rank and file in order to reach through these means results superior to those of the 26th anniversary of the FAR and to salute the 30th anniversary of the attack on Moncade barracks.

For that purpose, when we asked Sgt Benito Becerra Soto, vanguard member of the FAR in the 1981-82 instructional year, for his impressions he told us: "It is a great honor and a matter of great pride to be an example, to know that the others are following your model and are striving to do as you do. We have organized many contests involving the use and handling of weapons and they have led to genuine competition in which we have engaged in fraternal emulation to be better every day."

A flag secured with effort and dedication will not slip from such steady hands. Spirit of undertaking emulation commitments, the commitments of the Second PCC Congress to prepare ourselves more and better to face our tasks, will always prevail among these sailors who have known how to earn the top slots in socialist emulation in the Revolutionary Navy and the Revolutionary Armed Forces, certain that with this the peaceful and creative work of our people will be secured.

Let the enemy tremble before such capable individuals! Firm in their emulation commitments and worthy of their achievements and traditions, the military personnel of the MGR respond to the emulation challenge of the initiating unit of the FAR, proudly carrying the banner by now for which other units are striving and competing today.

2662

CSO: 3248/162

MILITARY INDUSTRIAL ENTERPRISE HONORED

Havana VERDE OLIVO in Spanish 21 Oct 82, No 42, p 56

[Article by Juan Segui Morales from the newspaper EN GUARDIA]

[Text] The presentation of the Emilio Barcenas Award to 10 founders of the Julius Fucik EMI [Military Industrial Enterprise] was the most emotional moment of the commemoration of the 20th anniversary of that unit. Div Gen Sixto Batista Santana, alternate member of the Politburo of the party and chief of the FAR Central Political Directorate, presided.

The first group in the country decorated with the highest award of the National Bureau of SNTCFAR [National Union of FAR Civilian Workers] consisted of the following comrades: Walterio Hernandez Veitia, Rolando Herrera Abreu, Jesus Macola Arceo, Robustiano Mesa Misa, Arnaldo Morales Gomez, Orlando M. Otomuro Oviedo, Eduardo Rico Anguita, Juan Rodriguez Aguila, Maj Eladio Fernandez Civico and Capt Pablo Rodriguez Romero.

The award and certificates were presented to the founders of the EMI by: Div Gen Sixto Batista Santana; Raul Rodriguez Lopez, first secretary of the party in Villa Clara Province, and Brig Gen Francisco Cruz Bourzac, alternate for the minister of the FAR, both alternate members of the CC [Central Committee] of the PCC [Communist Party of Cuba]; Div Gen Pedro Garcia Pelaez, chief of the Central Army and a member of the CC of the PCC; and Jose A. Roque Arias, secretary general of SNTCFAR.

The 20th anniversary of this enterprise which Com Ernesto Guevara helped construct was commemorated as part of Camilo and Che Ideological Day.

In the name of the leadership of the enterprise, the party, the UJC [Union of Young Communists] and the union, Maj Eladio Fernandez Civico said that this EMI will continue reaping success and fulfilling its productive tasks in the interest of the defense of the fatherland.

Collectively, the Julius Fucik EMI has received the Heroes of Moncada Banner, the UJC Banner, the plaque as Heroic Tradition Center and the WFTU Banner.

Individually, 25 of its members have been awarded the 20th Anniversary of Moncada Medal, 173 received the 20th Anniversary of the FAR Medal, 41 have received the "Distinguished Service" Award, 9 have been FAR and union vanguards and 45 have fulfilled internationalist missions.

Giving the conclusions, Col Hector Fernandez Pon, representing MINFAR [Ministry of the FAR], stated:

"This meeting with the collective of workers and families of the Julius Fucik EMI to celebrate its 20th anniversary gives us great pleasure.

"Observing what the enterprise is today, the development it has achieved, we recall the moment of its creation in the midst of a tense international situation that climaxed with what is known in history as the October Crisis of 1962.

"Its location can be considered a historic site. It was the training center for the militia units that left for the Escambray to fight the counterrevolutionary bands. Com Antonio Sanchez Diaz (Pinares), hero of Che's Bolivian guerrillas, said goodbye here to one of the contingents that went to the front. He told them that he wanted men aware of their duty, who never failed to fulfill the assigned mission, to overthrow the enemy."

Colonel Fernandez then referred to the productive achievements of the EMI, to party and union work, to the improved living conditions of the workers and families and to their distinguished work in the movement for efficiency and innovations.

After mentioning the tense international situation, the result of the war-mongering policy of Yankee imperialism, the speaker revealed:

"The coming years will demand great efforts and creative ability from all of us, but we march toward the future confident in the future, in the party and in our beloved commander in chief, comrade Fidel."

7717

CSO: 3248/189

HOLGUIN MTT UNIT HONORS REVOLUTION AT CEREMONY

Havana VERDE OLIVO in Spanish 21 Oct 82, No 42, p 55

[Article by Pablo Noa]

[Text] Hundreds of Holguin residents gathered in the Plaza Mayor General Calixto Garcia in that city on the morning of 10 October. Recalling the glorious days of La Demajagua, the men and women of the MTT [Territorial Militia] ratified the commitment made to the party and the commander in chief to fight to the last Cuban against any enemy that tries to attack us.

They stood at attention with discipline, organization and firmness facing the presidential stand on the broad plaza. They awaited the presentation of the combat banners to the division and the regiment.

Minutes earlier, the alternate members of the Politburo of the party--Div Gen Senen Casas Regueiro, first alternate for the minister of the FAR, and Miguel Cano Blanco, first secretary of the Provincial Committee of the party in that region--placed a document in a case. It contained the 10 basic objectives of the emulation agreement between this province and Santiago de Cuba to salute the 30th anniversary of the attack on Moncada barracks.

The national anthem was heard and then Lieutenant Colonel Perez Calzada presented the troop at attention.

To the sound of "units to the line," the banner detachments advanced and received the precious symbol from the hands of Division General Casas Regueiro. The notes of the Invader Hymn gave a military tone to this significant moment.

In the name of her comrades, militia member Adis Mercedes Sintes expressed the feelings of all and their readiness to fulfill any mission that defense of the fatherland demands. Then she presented a check for 202,624.44 pesos collected through volunteer work to contribute to the financing of the MTT. Also, by agreement of the militia members, a picture of the unforgettable Heroic Warrior was sent to the minister of the FAR.

Cano Blanco's Words

Miguel Cano Blanco, first secretary of the party in that province, addressed those in attendance. He recalled the revolutionary past of that eastern region

and the distinguished role played by several generations of Cubans who, in one stage or another of our struggles, knew how to fight and give their lives for the fatherland.

The party leader also said: "Here is a heroic town of soldiers who will know how to continue the fight to final victory, a heroic people who will never be defeated."

Summary

Div Gen Senen Casas Regueiro gave the conclusions to the ceremony. He stated that the creation of the MTT was a unanimous response by the people to the aggressive plans of Yankee imperialism. It has also had considerable influence on the increased defensive potential of the country.

He said: "The presentation of the Combat Banner to the Holguin Division and to the regiments in it constitutes an important event for all of us, an important moment in the process of organization of the large, medium and small units of the MTT in this region. It symbolizes the combat and patriotic honor of this division and will serve as a firm mandate from the fatherland and as an inspiration to its members during training and on the battlefield if the enemy imposes war on us."

7717

CSO: 3248/189

EXPERIMENTAL CHEMISTRY, BIOLOGY INSTITUTE DESCRIBED

Havana BOHEMIA in Spanish No 42, 15 Oct 82 pp 90-91

[Article by H. Nunez Lemus, Panorama of Science and Technology Section]

[Text] An event of special importance will take place 18-23 October at the Cuban Academy of Sciences [ACC]: The Third Scientific Week of the Institute for Experimental Chemistry and Biology.

It is a review meeting on the institute's work since the November 1980 meeting and on this year's achievements.

The meeting is being held within the framework of the Camilo-Che ideological drive and in honor of the 20th founding anniversary of the maximum center [ACC], where the institute originated.

What is the Institute for Experimental Chemistry and Biology?

Located on 26th Avenue only a few meters from Calzada del Cerro, it is a young institution--on 30 November it will have been in existence 6 years.

A Council of Ministers resolution called for the institute to gradually change its research objectives, which previously only responded to concepts of chemistry of foodstuffs, chemistry and development of an experimental biology group.

Following the guidelines of national scientific policy formulated by the First Party Congress, it was decided that the main objective of the institute's future work would be "the study and exploitation of our natural resources and, in line with this objective, the simultaneous development of experimental chemistry and biology."

The first working group--headed by the director and doctor of sciences, Ruth D. Henriquez--went beyond expectations. It cooperated physically and actively with the construction of installations and created the minimum working conditions required to tackle the tasks assigned.

Six years after its founding, the institute has a staff of 108 employees, 78 of whom are university graduates or mid-level technicians.

History Continues

Institutional management tasks were extremely complex during the first years. Objectives and concepts pertaining to scientific research management policy had to be polished in some cases and dropped in others.

Creation of the working group also was a difficult task since the new institution had no precedent on this discipline. Intensive work to improve the personnel was then undertaken with the backing and assistance of national and foreign institutions.

Projections

Modern science is characterized by specialization and unification, although these trends might be a contradictory process. The same phenomenon--as it is called--is analyzed according to different sciences.

Being a modest and small institution with limited resources, the institute has had to employ its capacities to the maximum. The result is that its fundamental work has been centered on three principal aspects: obtain proteins from nonconventional sources for human and animal consumption, search for biologically active substances for agriculture and medicine, and, lastly, obtain and use chemical products.

There is cooperation between experimental biology and industrial microbiology to attain these objectives. At the same time, scientific activity is aimed at the employment and development of methods of chemistry-physics--a discipline which permits a more profound explanation of the chemical, biochemical and biological phenomena faced by researchers--and the use, to a greater extent and depth, of mathematical disciplines such as statistics and data processing.

Latest Achievements

The successful replacement, up to 15 percent, of pork and beef by a protein product obtained from lobster scraps. Also, attainment of a mutant strain from the Santa Cruz strain, capable of producing 10 percent more alcohol than that traditionally used in the national alcohol industry. This work has reached the pilot plant phase.

The electronic microscopic work done on various research objects is noteworthy. It reflects a greater mastery of this method by expanding its use and, at the same time, it helps to obtain new information on the nature of the objects under study.

The institute has had very good results with other research matters that will be presented during the third scientific week.

Meeting's Program

It calls for the following division of work: biopolymers, bioactive substances, enzymology and industrial microbiology. A total of 110 papers

and posters on these subjects already have been approved and will be discussed during the third scientific week.

The most innovative aspects in the field of synthesis of bioactive substances, biotechnology, proteins, enzymes and natural products will be explained at the plenary sessions.

It is only fair to note that Antonio Mendez, Domingo Callejas, Silvia Prieto, Olga S. Leon, Ileana Garcia and Enma R. Gutierrez; Engineer Jacinto Echevarria and comrades Jose M. Nieto and Benito Rodriguez, led by Dr Ruth D. Henriquez, have been working hard for the success of the important scientific meeting.

For the ACC's institute, its third scientific week is more than a new goal, it is a point of departure toward greater endeavors.

9925

CSO: 3248/164

EJT IDEOLOGICAL DRIVE PERIOD COMMEMORATED

Havana VERDE OLIVO in Spanish 21 Oct 82 No 42 p 57

[Article by Raul Brizuelas]

[Text] As part of the homage that we are paying to Commanders Camilo Cienfuegos and Ernesto Guevara during the current ideological drive, a large group of combatants who recently joined the ranks of the Youth Labor Army (EJT) took their military oath in front of the mausoleum containing the remains of Lt Gen Antonio Maceo and Capt Francisco Gomez Toro, in El Cacahual. Prior to this, the youths had marched in honor of the 15th anniversary of the combat death of the Heroic Guerrilla and had placed a wreath at the monument.

The solemn ceremony began with the cry of "Attention!" and the presentation of the national flag. Pvt Julio Rosell read the military oath, and Ricardo Cantera Valenzuela, also a private, was in charge of the symbolic presentation of the rifle to the new combatants.

Speaking on behalf of the mothers of the new soldiers was Mirtha Alfaro Gonzalez, who underscored that an honorable period was beginning in the lives of their sons and urged them to "firmly undertake and fulfill all of the missions and tasks that the party, the government and your commands assign to you."

She stated that the EJT "has earned the affection and respect of our entire people" and that it was up to each of them "to live up to this example by doing their duty."

The ceremony was presided over by Col Victor Dreke Cruz, from the EJT headquarters; Maj Arnaldo Morejon, as well as other officers and relatives of the soldiers who took their oaths. The summation was handled by Gilberto Prado Cabrera, who reminded the soldiers of the duty they were assuming when he told them:

"Becoming soldiers of the fatherland is the highest standard we can bear in our ambition to be worthy patriots who are willing to give their most precious possession, their lives. It represents the infinite pride of loyalty to its flag, its anthem and its shield. You will do your

active FAR service in the EJT and you should take advantage of this opportunity to develop your work attitudes and capabilities, along with your political and military training."

Lastly, he mentioned a number of victories that the EJT has scored in the national economy, such as being the country's most productive force in the last three sugar harvests and helping build such important projects as the Central Railway.

8743

CSO: 3248/188

PARENTS MEET WITH FAR SMALL UNIT CHIEFS

Havana VERDE OLIVO in Spanish 21 Oct 82 No 42 p 57

[Article by Tomas Estenoz]

[Text] The parents of SMG [General Military Service] noncommissioned officers and and privates in military unit 1962 met recently with small unit chiefs to learn how their sons' military service was coming along.

Such meetings, which will be held periodically, are designed to help maintain the highest possible levels of discipline in the FAR through the consistent involvement of the combatants' family members in the political and educational work performed by the chiefs, the substitutes for political work and the organizations of the party and of the Union of Young Communists.

On this occasion, the relatives of the combatants listened to position papers on the work of the Union of Young Communists in the FAR, the systems of uniforms and passes and the progress of socialist emulation.

At the end of each paper, the relations of the noncommissioned officers and privates outlined their views and expressed interest in their children complying thoroughly with the points mentioned in the various reports. They then met with the chiefs of small units and learned in detail about their sons' performance of their military duties.

The summation of this fruitful encounter was entrusted to the commander of the military unit, who stressed the importance of this kind of contact and asked those in attendance how regularly they thought such meetings ought to be held. After brief remarks about military discipline and the importance of the combatants' family cooperating to achieve this goal, he thanked those present for attending and urged them to monitor their children's attitude in performing the most beautiful task of our youth: training conscientiously to defend the socialist homeland.

8743

CSO: 3248/188

FAR NUCLEAR CONTAMINATION EXERCISE REPORTED

Havana VERDE OLIVO in Spanish 21 Oct 82 No 42 pp 30-33

[Article and photographs by Rolando Pujol, in collaboration with the newspaper SIEMPRE ALERTA of the Antiaircraft Defense and Revolutionary Air Force (DAAFAR)]

[Text] They look as if they came out of a science fiction film. They move forward slowly, extending back and forth in front of them a metal cane with an L-shaped tip joined by a cable to a small plastic box.

Their breathing produces a whooshing sound through the accordeon-like tubes that extend from the lower part of their faces, where large glass eyes carefully monitor the surroundings as if expecting the sudden attack of something unknown and invisible like the shadow of death...

There has just been a nuclear strike. An extensive stretch of land has been contaminated by the fallout. The radioactive, chemical and biological reconnaissance group is the first to penetrate the area, where life is in its death throes. Plants and animals have been destroyed by the fire and the shock wave; the residual radiation lies in wait like a hidden trap.

Using their special equipment, the surveyors must ascertain the degree of contamination and the size of the affected area, so that the troops on the offensive can take the necessary protective measures.

On the basis of the data gathered by the chemical reconnaissance team, the command will be able to decide the subsequent course of combat action.

By utilizing weapons of mass extermination, the enemy seeks to contaminate the air, land, combat equipment and various objectives in the target zone with toxic or radioactive substances, which pose great danger to unprotected living things.

Most of the toxic substances are odorless and colorless, and therefore their presence has to be determined with specially designed equipment that contains reagents that change color when they come into contact with contaminated air, water or soil. The shade of color they take on indicates the nature of the hostile chemical used by the enemy.

In the case of substances produced by atomic fission, the so-called roentgenometers are used to detect and quantify them. They are designed to measure the electrical conductivity of gaseous particles ionized by a nuclear blast. The stronger the radiation, the greater the ionization in the contaminated objects and the environment, a phenomenon that the device is able to gauge.

With regard to the other method of mass extermination, the use of bacteria, viruses, insects and other disease-carriers, the chemical reconnaissance squad is equipped with sample collectors. The samples are then sent to the medical services laboratories for a determination of their nature and degree of danger.

To perform their delicate work effectively, the survey team combatants receive painstaking training that provides them with total mastery of the individual protection devices and the equipment they use; in addition, they are thoroughly familiar with the lethal weapons that an adversary could use against our troops.

In our day and age, when the imperialist stampede to research and develop weapons of mass extermination has brought the world to the brink of a conflagration of unforeseeable consequences for mankind, it has become especially important to train personnel in defensive measures that could reduce the potential damage caused by chemical, biological and nuclear weapons.

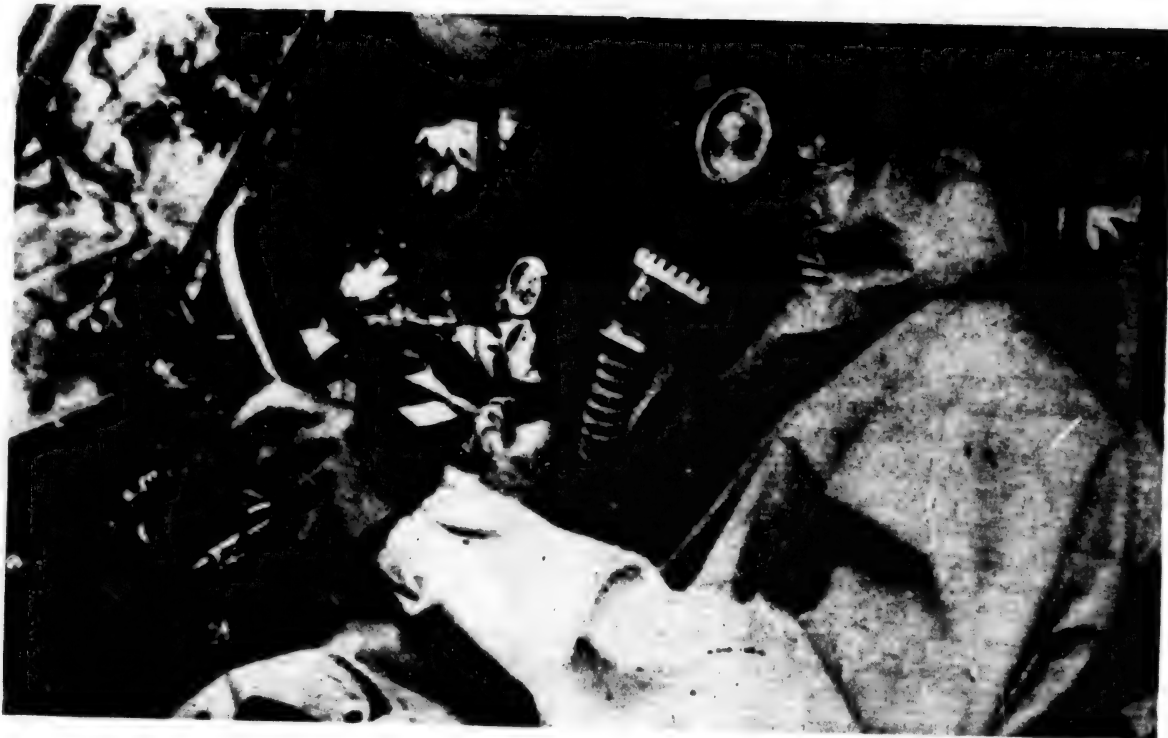
These weapons are unquestionably aberrations born of the basest instincts. Yet if we are properly shielded from their destructive effects, we can remain combat-ready for quite some time.

Modern medicine has developed numerous antidotes that when administered in time enable individuals whose nervous systems have been attacked to survive. Special drugs that promote rapid recovery can also lessen the effects of radiation on the organism.

Whether all these measures are taken in time depends largely on the painstaking and risky work of the reconnaissance men in the chemical troops, the combatants who are always willing to be the first to enter the death zones.



A device located at the rear of the car drives yellow-flagged poles into the ground, marking the boundaries of the affected area



Though the bulky clothing complicates their work, the reconnaissance men are no less careful and attentive.



Measuring the level of ground radiation with the roentgenometer

8743

CSO: 3248/188

SPARE PARTS MANUFACTURE, SALVAGING STRESSED

Havana BOHEMIA in Spanish 22 Oct 82 No 43 pp 56-57

[Article by Alberto Pozo]

[Text] The week was dominated by the impact and great future significance of the progress made in the manufacture and salvaging of spare parts. This article is based on the discussions of this issue by the National Spare Parts Commission at a meeting with the Central Committee.

Havana held its second plenary session on this topic around the same time, and during the exchange of views Comrade Pedro Miret, a member of the Politburo, summarized a national issue in a single sentence: "The year 1983 must be the year of spare parts salvaging."

Let's zero in on the situation. Though it is true that Havana (city-province), the hub of the activity, has manufactured 41.5 million pesos worth of spare parts as of 31 August, it still has a way to go in meeting its production goal.

As far as restoring parts is concerned, in other words, repairing defects in a used part and returning it to its original state, Comrade Eugenio Mainegra, the head of the Department of Basic Industries of the Central Committee, pointed out that whereas other provinces proposed salvaging more than 30 percent of spare parts in 1983, Havana's proposal was much less ambitious.

Miret also called on enterprises to take up the suggestion of Guillermo Garcia, a member of the Politburo and the transportation minister, and establish an emulation among themselves.

In making the concluding remarks at the Havana plenary session, he stressed that we must take responsibility for freeing the country of its overseas dependence. He called for wider use of the "Alquitex" approach of first using salvaged parts, then domestically made ones and finally imported ones.

Let's go back to the first-mentioned meeting, the National Spare Parts Commission meeting. Although numbers always make for hard reading, we cannot avoid them if we want to illustrate the actual dimensions of an issue.

Whereas the spare parts manufacture and repair plan for 1981 totaled 120 million pesos, the 1982 plan, which is coming along fine, amounts to 160 million.

But tasks have to be planned ahead of time to guarantee that they are performed successfully in quantitative and qualitative terms. A recent check showed that the provinces are proposing the following figures for 1983: 210 million pesos in parts manufacture and 55 million in salvaging.

Elementary arithmetic shows that the manufacturing total will more than double from 1981 to 1983. This question then arises: How is this leap possible when raw materials supplies have dropped, not risen? In our judgment, the answer is better organization, more awareness and tighter demands. This is one more example of the hidden reserves that we have been uncovering, of the untapped potential to be harnessed.

The above figures summarize the activities of the 13 producer agencies, of which the Ministry of the Steelworking Industry is responsible for most of the plan, according to what we learned at the meeting, which Comrade Pedro Miret, a member of the Politburo, presided over.

After reviewing the progress in abrasives production, the expansion of the factory and the efforts to produce furfural, the meeting focused on spare parts.

"We have to publicize good examples," Miret suggested. "We have the exceptional experience of the Alquitex workers. They have industrialized the salvaging of spare parts! They have their own warehouse, and the most highly skilled personnel are involved in this activity."

The comrades in the Construction Ministry reported that they have separated the manufacture and the salvaging of spare parts. They also stressed the work that the modern central shop in Villa Clara is doing in this regard. (Despite the progress here, this reporter got the impression that it could accept a still heavier load.)

A resolution was passed setting the value of the restored part at 80 percent of its original value. This will encourage salvaging, because so far this has caused a drop in productivity and work-wages indicators, which adversely affected an enterprise.

The new price will be of decisive consequence because under the current circumstances having a part available is extremely important. The fact is that repairing is less expensive than producing, and we have to pave the way. For their part, the Sugar Industry and Agriculture ministries are developing specific plans for salvaging and repair.

"It seems that scrap piles are unavoidable in salvaging work, and we must not overlook them," Eugenio Mainegra noted.

Salvaging activities could, however, adversely affect inventory quotas, and thus it seems that the two aspects have to be separated.

The State Committee for Labor and Social Security reported on a survey of molds and dies shops and their payroll. The survey dealt, on the one hand, with the actual performance of the personnel and, on the other, with the possibility of increasing the number of shifts.

The report of the State Committee for Statistics was acknowledged. It registered 975 producing enterprises, but 99 of them did not furnish information. Sixty-two of them are in Havana, representing 30 percent of the province-wide total.

The meeting's main purpose was to work out the 1983 plan, and whereas close to 1,000 provincial enterprises offered to participate, the ministry managed to get only 400, fewer than last year.

"We have to watch out for the political level of this movement!" Miret stressed. "We can't have the workers waiting to get in on this effort. The enthusiasm and performance of the masses cannot decline because of someone's incompetence."

Comments were made that there are enterprises that do not realize that they have to plan the inputs for spare parts manufacturing and that there are others that still do not follow the guidelines on repairs. Mention was made of the need to work on separating the inputs earmarked for spare parts from the other requirements of the supply plan, so that everything does not get lumped together and activities are not jeopardized by shortcomings in assigning priorities.

The following is a summary of what the provinces have proposed so far: 55 million pesos in repairs and 210 million in manufacture. So far, however, the Agriculture, Sugar Industry and Construction ministries have not replied to the Central Planning Board.

Lazaro Dominguez, from the secretariat of the CTC [Central Organization of Cuban Trade Unions], reported that its 15th Congress is supposed to be held in 1984. Two of the 15 priority tasks will be the production, salvaging and repair of spare parts, and the ANIR [National Association of Innovators and Efficiency Experts] plan to achieve no less than 210 million pesos in economic output.

In conclusion, Comrade Mainegra announced that the annual stock-taking of spare parts activities would be staged in February 1983, with the ANIR and the Youth Technical Brigades also participating. Half of the delegates are supposed to be workers and the other half managers.

Officiating along with Miret were Marcos Lage, the minister of the steel-working industry; Jose Gonzalez Frances, the deputy chairman of the Central Planning Board, and Eugenio Mainegra and Lazaro Dominguez.

CFP TO DISCUSS PROBLEMS, REALIGN LEADERSHIP

PA190231 Quito Voz de Los Andes in Spanish 1130 GMT 18 Nov 82

[Text] There is great political expectation in the country regarding the results of the national-level meetings that Concentration of Popular Forces, CFP; the Democratic Party and the Alfarist Radical Front, FRA, will be holding in the next hours. These parties will either elect or reelect their main leaders and will also outline their policy in relation to President Hurtado's government.

The CFP Directorate will meet today in Guayaquil to discuss and reach a decision on the irrevocable resignation submitted a few days ago by Rodolfo Baquerizo Nazur, CFP chief director.

The Democratic Party and the FRA's national conventions will open tomorrow. The Democratic Party is holding its convention in Portoviejo, the capital of Manabi Province, and the FRA in Machala, the capital of El Oro Province. Both parties will either elect or reelect their main leaders and outline their policies regarding President Hurtado's regime.

The CFP Directorate will be meeting in its central headquarters in Guayaquil, where Baquerizo's irrevocable resignation will be accepted. It is almost certain that Aberroes Bucaram, CFP national deputy chief, will definitely assume CFP's leadership. The CFP's directors will also discuss the problems that have come up as result of Baquerizo's resignation, which has created a definite division in the party.

It is also probable that the directorate will take disciplinary action, maybe expell, some representatives who have opposed Bucaram's leadership. The representatives that could be expelled from the party are Julio Ayala, Arquimedes Valdes, Galo Bayas and Rafael Marquez.

According to reports Baquerizo is leaving today for the United States and Brazil. In the United States he will take care of private matters and have a medical checkup. In Brazil he is scheduled to attend an international meeting on the environment and the family.

CSO: 3348/97

'VENCEREMOS' COMMENTS ON U.S. ENVOY IKLE'S TRIP

PA131652 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT
12 Nov 82

[Station commentary]

[Text] Recently, the undersecretary of defense [passage indistinct] that the armed forces are going through an extremely critical moment, as shown by its total incapacity during the successful national military campaign that we are still waging. This visit occurred at a time when prestigious U.S. publications, such as the NEW YORK TIMES and NEWSWEEK, were openly denouncing the Reagan administration's famous covert operations in Central America. Fred Ikle visited our country at a time when our general command headquarters had denounced several U.S. plans designed to speed up the Honduran army's direct involvement in the Salvadoran conflict and to start massively using napalm against our people. At first the Reagan administration tried to put a smokescreen on the real purpose of Ikle's strange trip. Spokesman in Washington asserted that Ikle's trip was in response to White House concerns over certain scandalous human rights violations that the Salvadoran Government had perpetrated in recent weeks. Reagan's spokesmen even said that the continuation of U.S. military aid to the regime of [Assembly President Roberto] d'Aubuisson and [Defense Minister Gen Jose Guillermo] Garcia would greatly depend on Ikle's report upon returning from El Salvador. However, Ikle's itinerary did not coincide with the objectives suggested by Washington. But his trip did coincide fully with the charges made by our general command headquarters.

Ikle traveled first to the U.S. southern command, based in Panama, where Salvadoran (?pilots) are currently training in the techniques for the massive use of napalm. There he met with southern command chief Gen Wallace Nutting who, as charged by our command headquarters, is in charge of coordinating the Honduran and Salvadoran armies in the joint operations against our people.

After this, Mr Ikle went on to Honduras, where he held talks with the general staff of that country's army. Afterward, Ikle came to El Salvador, where he met with the armed forces high command. Finally, Ikle returned to the United States. In the face of pressure from U.S. newsmen, Ikle was forced to publicly admit the true purpose of his trip. Ikle said: I went to observe the current

situation first hand in view of the FMLN's advancing offensive, in order to determine how urgent the need for more military aid is. Ikle must have confirmed that the need was indeed urgent: only 1 week after his visit, the Honduran army has begun a defensive mobilization of its personnel and equipment toward the border zones in Morazan Department. The command headquarters of the FMLN's Francisco Sanchez Northeastern Front formally denounced this mobilization on 10 November.

Once again we urge the international community to remain alert in the face of these developments and to make any efforts possible to put an end to what might turn into a conventional war. Once again we urge the democratic and progressive forces in Honduras to keep the surrendering and warmongering sectors of that country's government and army from involving Honduras, its people and its economy in a war where none of its interests is at stake.

Finally, we reiterate that the FMLN military forces have received precise instructions from their general command headquarters to defend the national sovereignty and to respond (words indistinct).

We are fully prepared and willing to continue the struggle against oppression and poverty and to defend our country's sovereignty. Salvadoran patriots: In the face of an attack, stand on your feet. Move to the front under our blue and white flag. Rifle in hand, let us defend our sovereignty.

CSO: 3248/246

PAPER INDICATES DELIVERY OBSCURED HINTON'S MESSAGE

PA161710 San Salvador EL SALVADOR NEWS GAZETTE in English 15-21 Nov 82 p 4

[Editorial by assistant editor Bruce Yeager]

[Text] Ambassador Hinton and his recent remarks before the American Chamber of Commerce luncheon have caused a major stir in El Salvador. Civic groups, newspapers, political parties and now the White House have all chided the ambassador for his strong comments concerning the Salvadoran judicial system. It is a shame, however, that the message of his speech is being overshadowed by its delivery.

The key point of the ambassador's speech was the need for improvement in human rights. But he pointed his finger directly at the government and cited its faults. He did not say he was opposed to the government but he called for its improvement. What person in El Salvador or in any other country does not want to see their government improve?

It would be unfair for Mr Hinton or the United States to expect the Salvadoran Government to eradicate all human rights and judicial problems overnight. It is not unfair, however, to expect the Salvadoran Government to improve upon the current statistics.

Since his arrival 17 months ago in El Salvador, Mr Hinton has consistently supported the government and criticized the leftist guerrillas. He has made no secret that he is opposed to the rebels and their violent tactics. But neither has he made a secret of his opposition to all violence no matter who commits it. Mr Hinton realizes that in order to achieve peace every individual must participate regardless from which side he comes.

He realizes that it is not a one-sided issue. All sides must cease the killing of their fellow men. All sides must absolutely respect the rights of each other. And all sides must make their ultimate goal peace for El Salvador. This was the underlying message in Mr Hinton's speech.

The ambassador's great mistake however was the delivery of this message. His caution of a possible cutoff in U.S. military aid is nothing more than an idle threat. The Salvadoran business community knows this and they, as with anyone, do not respect idle intimidation.

Mr Hinton's remarks were met by a predictable onslaught of indignation. Unfortunately, this anger has eclipsed the true importance of his words. Unless all sides and all individuals make the effort to live in peace, peace will never come.

COMMENTARY ON FMLN-FDR DIALOGUE PROPOSAL

PA131712 San Salvador PROCESO in Spanish 25-31 Oct 82 pp 1, 2

[Editorial: "The Alternative Is To Have a Dialogue"]

[Text] The fact that the armed forces have admitted having several labor and opposition leaders in their custody--after Ambassador Hinton said that he was almost certain that the Salvadoran Government had nothing to do with their disappearance--proves the contradictions that exist in the state's apparatus, causes serious questions to arise concerning the government's actions and puts Ambassador Hinton in a bad position.

The kidnapping and later release of leaders of the Revolutionary Democratic Front [FDR] is dramatic proof that some sectors fear that the peace dialogue might come about. International and local reaction to the formal proposal of Guillermo Manuel Ungo (FDR) and Commander Ana Guadalupe Martinez (FMLN) has been restrained and varied. At first, U.S. spokesmen did not lend much credit to it, but afterward they said that the dialogue should be carried out among the "democratic" institutions in the country. Defense Minister Gen Jose Guillermo Garcia said that the armed forces would follow the orders of President Magana, who in a communique reiterated his inauguration speech views on the subject and reaffirmed the principle of a dialogue through democratic elections. Only the members of the National Republican Alliance, ARENA, have rejected the idea of a dialogue, which in their opinion would be equivalent to "treason." They have reached this conclusion without even knowing the terms and contents of the rebels' proposal. A heated debate at the constituent assembly clearly showed there is no consensus among the members of the so-called "National Unity," who are creating all sorts of problems concerning the appointment of the peace and human rights commissions.

While the dialogue proposal is being questioned by all sectors, the war and the violation of human rights continue in the country.

After 3 weeks the FMLN offensive is still going strong. Despite the military high command's denials, the nation's economy is reaching critical levels. Several towns have been occupied during the week, and the fighting has extended to the south and west of the country; traffic on the main highways is constantly intercepted; sabotage occurs in San Salvador, where several bombs damaged

businesses using U.S. capital; power was cut off for approximately 20 minutes; and state vehicles are constant targets of sabotage. The situation in the east has reached the point of tragedy. To electricity problems we must add a fuel shortage and water supply problems. Meanwhile, the FMLN has turned over 14 prisoners of war to the International Red Cross.

Several decapitated bodies were found recently. There are reports of the disappearance of workers and labor leaders. The situation is such that the Reagan administration has been forced to ask the Salvadoran authorities to control such activities or risk losing U.S. support. This is how we interpret Ambassador Hinton's statement, in which he strongly denounces the chaotic Salvadoran justice situation. The presence of important U.S. officials, of the Honduran foreign minister and of Gen Abdul Gutierrez (member of the former Revolutionary Junta of El Salvador) related to the problem of the war, human rights and the dialogue.

The slash of 200 million colones in the 1983 budget is proof of the country's economic disaster. The suspension of the embargo on Salvadoran coffee by the Netherlands and the new inter-American development bank export and housing project loans barely alleviate the increasing weakness of productive sectors and public administration, which grow more dependent on international development agency funds daily.

Under the present circumstances, the proposal of a peace dialogue is an encouraging sign. Most sectors seem to be in favor of the idea. There is nothing to lose by talking, so that we can learn what the other party thinks and wants. The dialogue is indeed a way to stop the killing. However, there is much to be done. Powerful forces continue to oppose dialogue as an alternative.

CSO: 3248/245

COUNTRY SECTION

EL SALVADOR

FMLN ON RESULTS OF MORAZAN DEPARTMENT FIGHTING

PA102316 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT
10 Nov 82

[Interview with Commander Jorge Melendez, alias Jonas, 1st military chief of the Francisco Sanchez Northeastern Front; date and place not given--live or recorded relay]

[Text] [Question] Which are the results obtained so far in the victories reported on the road from San Francisco Gotera to Corinto?

[Answer] Well, as of exactly 1745 today we have the following report: 71 rifles including M-16's and G-3's, 2 M-79 grenade launchers, 1 60-mm mortar, 2 50-cal machineguns, 1 90-mm cannon, 2 120-mm mortars and 2 PRC-77 military radios. Do you copy me? Over.

[Question] Affirmative, Commander Jonas, go ahead.

[Answer] In addition, we seized many military supplies of various kinds, including 5.56, 7.62 and .50-cal ammunition. We also recovered many rounds for the (?support) weapons that we seized. Regarding prisoners of war, they amount to 60, 4 of them wounded. The prisoners include a 2d lieutenant, a [words indistinct] sergeant, a corporal, a treasury police sergeant and a cadet. Regarding the dead, [words indistinct] approximately 30 to 35, including Lt (Alonso Escalante Acevedo) and a cadet whose last name is (Ramirez Mirandao). Did you copy?

[Question] Yes, we did.

CSO: 3248/245

HONDURAN MOVEMENTS PRODUCE FMLN ALERT

PA111522 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT
11 Nov 82

[Report issued by the FMLN's Francisco Sanchez Northeastern Front in El Salvador--
read by announcer]

[Text] The general headquarters of the Francisco Sanchez Northeastern Front
reports:

1. Our advance patrols have been detecting movement since 8 November by Honduran troops and helicopters along the Honduran border in Morazan Department.
2. These movements have increased since the morning of 10 November.
3. Our intelligence services have confirmed troop movements, supported by heavy artillery units. These troops, reinforced by special units, have encircled the positions of (Las Tejas), Las Flores, (Cerro Alumbrador), Zancudo, Zabanetas and Rio Torelas, north of the town of Joateca.
4. Honduran news media monitored by our front [words indistinct] troops along the Salvadoran border.
5. The great number of troops and support units that the Honduran High Command is moving toward the border do not imply a defensive attitude, but rather an offensive attitude toward controlled positions and areas.
6. Making use of our right to defend our territory against attacks by foreign troops, we have placed all of our units on alert. They have been ordered to resist any attempt to penetrate our defensive lines.
7. We hereby ask all of the world's peoples to remain alert. From this moment, we blame the fascist high command of the Honduran Army, Gen Gustavo Alvarez, and President Suazo Cordova for anything that might happen as a result of irresponsible operations, which would have negative affects upon Central American peace.

United to struggle until final victory. Revolution or death, we will win.

[Signed] General Headquarters of the Francisco Sanchez Northeastern Front.

[Dated] Morazan, 10 November 1982.

FMLN SEEKS DIALOG TO END WAR

FL191609 Havana Domestic Television Service in Spanish 1340 GMT 19 Nov 82

[Interview with Jorge Rodriguez, FMLN representative in Cuba by Jose Fernandez Vilela--live]

[Text] [Fernandez] At the present time the FMLN in carrying out a campaign for peace and the protection of human rights in El Salvador and this is an appropriate time for you to speak to us about this campaign. Comrade Jorge, please tell us about the peace initiatives now under way to solve the Salvadoran conflict and how the FMLN is involved in this.

[Rodriguez] In this conflict and tragedy that the Salvadoran people are experiencing, in which more than 40,000 persons have died so far, and in which the Salvadoran regime and the Reagan administration are accusing our movement of being a gang of terrorists that wants to assume power through violence and that we are practically part of an international communist plot, we have demonstrated to the Salvadoran people and to the world that this is false, completely false. The interests of the Salvadoran people have been subjugated by a military tyranny for more than 50 years and it has now imposed this war on us.

The Salvadoran regime and the U.S. administration have imposed this painful path on our people. Nevertheless, today we demonstrate to the people of El Salvador and to the world that we really do not want this conflict to continue, we do not want this war to be regionalized. To this end we have proposed a dialog without conditions, a simple dialog to sit down and discuss the conditions on how to end this conflict through peaceful means, and not through the military path that has been chosen.

We know that counterrevolutionary gangs established in Honduras are moving toward the Nicaraguan border and that the Salvadoran army is moving toward the border with El Salvador [as heard] and units of the Honduran army are even participating in clashes with our FMLN forces. In this situation our appeal goes out to democratic governments and humanitarian organizations to stop this situation. Let us propose and find a peaceful solution for the Salvadoran conflict, that the U.S. imperialists let the Salvadoran people determine their own destiny and future.

This is our position at this time and this is why we continue to search for a dialog with the real power centers in order to find a solution to the conflict. We are not in favor of regionalizing the war in Central America.

CSO: 3248/246

FMLN COMMANDER DISCUSSES A-37 BOMBINGS, POW'S

PA102234 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT
10 Nov 82

[Interview with Commander Claudio Rabindranath Armijo, third military chief of the Francisco Sanchez Northeastern Front, "at the Front's headquarters"; no date given--live or recorded]

[Excerpts] [Question] Commander Armijo, a few moments ago four A-37 planes delivered by Reagan bombed San Felipe killing many peasants of the area. What is the FMLN position in the face of actions like this?

[Answer] We condemn and denounce this type of repressive action by the government. This is even more serious because the action was carried out against noncombatants who are not part of this conflict. This shows that the top command and Mr Garcia are carrying out repressive and genocidal acts. We condemn this and issue a call to the International Red Cross to go to those places to help the people there because they have had to flee the area in view of the threat of more bombings. These bombings show the desperation of the top command and that the A-37 planes delivered by the Americans are being used to expand the genocide against our people.

[Question] To conclude, commander, could you tell me what will be the fate of the more than 50 prisoners of war?

[Answer] Well, as usual, we are already making efforts with the International Red Cross to take approximately 56 prisoners to a certain place and turn [them] over. This is in line with the principle of respect toward prisoners of war and in line with our view of who the true enemy of our country is.

CSO: 3248/246

STATUS OF FIGHTING, HONDURAN TROOPS DISCUSSED

PA201836 Havana International Service in Spanish 0000 GMT 20 Nov 82

[Text] FMLN detachments continue their guerrilla activity in several of the country's departments. Meanwhile, national guard officers have admitted the participation of Honduran troops in the Salvadoran regime's offensive against the rebels. Dispatches from El Salvador report that the government troops suffered 4 casualties in an ambush near La Laguna, Chalatenango Department, as well as 16 other casualties, including 5 dead, during an attack on Suchitoto.

The reports add that an FMLN group dynamited electrical towers near the town of Apopa, 18 km north of San Salvador. It was also learned that another rebel squad destroyed a bridge on the road between Jiquilisco and the port of El Triunfo, in the southeastern sector of Usulután.

On Friday, the Salvadoran Defense Ministry published obituaries for 20 soldiers. This brings the total of deaths, officially admitted by the army of tyranny, to 102 since 10 October.

However, FMLN sources indicate that in the same period they have inflicted more than 700 casualties on the regime, including 198 dead, and that they have captured 230.

Meanwhile, an official spokesman admitted that the anti-guerrilla offensive in northern Chalatenango has been a practical failure, despite the large number of troops involved and the participation of 2,000 Honduran soldiers.

Representatives of the Salvadoran revolutionary forces have denounced the planned use of napalm in El Salvador by that Central American country's air force. During a press conference held yesterday in Managua, Eduardo Calles, Revolutionary Democratic Front Executive Committee member, and FMLN commander Ana Maria referred to the presence of Honduran soldiers in Salvadoran territory, adding that this represents the beginning of the regionalization of the Salvadoran conflict.

In London, a former Salvadoran prisoner showed impressive photographs depicting the various kinds of torture practiced in Salvadoran jails. Jose Antonio Morales, who was recently released and thereafter traveled to Europe, publicized the photographs, showing how (Rafael Antonio Carias), a young teacher, was tortured. His tormentors applied acid to various parts of his body. The photographs, secretly taken at the Zapote Prison, show how the young teacher's body was marked with deep black scars on the chest and lower extremities.

In Havana, Osvaldo Rodriguez, an FMLN representative in Cuba, reaffirmed the FMLN's desire to hold talks with the current rulers of his country so as to seek a peaceful solution to the conflict. He stressed that the war currently being waged in El Salvador has been imposed by the regime, as the only alternative left the revolutionaries in facing the increasing repression and insecurity suffered by the people. He went on to say that the tyranny has been able to maintain its positions because of the support of the U.S. Government, which gives it weapons to fight the revolutionary forces, who are struggling for a peaceful life in which human rights are respected.

CSO: 3248/247

FMLN TURNS PRISONERS OVER TO RED CROSS

PA191550 [Editorial Report] The Clandestine Radio Venceremos in Spanish at 0230 GMT on 18 November broadcasts a recorded report on a ceremony held at the plaza in Joateca, Morazan Department on 16 November with the participation of delegates of the International Red Cross. The announcer indicates that these delegates are present at the plaza to receive 54 prisoners of war from the FMLN. These prisoners include, he says, Lt (Jaime Avalos), two subsergeants, one corporal and other members of the 6th Infantry Brigade of San Francisco Gotera.

The announcer says that Capt Francisco Emilio Mena Sandoval will be the speaker.

Mena Sandoval begins by greeting the Red Cross members and then asserts that a group of Salvadoran officers who are not committed to the past and have hope for peace "have already become aware of the FMLN military advance." But this is not the important thing, because our country does not need a military solution: our country needs a solution to its social problems. The FMLN is aware that if El Salvador continues to bleed itself to death the social cost will be too high. "It is also clear that our country's economy can no longer stand this war and that the armed forces are still in this war because of U.S. aid."

Mena Sandoval tells the prisoners: "We know that you have experienced moments of anguish, because you thought the guerrillas were what you were told at the garrisons." "You have had the opportunity to find the truth, not only in word but in deeds." You must not forget "that the enemy, the top command and the fascist officers of the armed forces know that you have witnessed this truth and that you will become a big problem for them."

Mena Sandoval thanks the Red Cross for their mediation and tells them "the FMLN could have turned the prisoners over to you before, but the high command refused to allow your presence here. The lives of the soldiers do not matter. In this war the decisions are made by General Garcia, the money is supplied by the United States and the capitalists of that country, but the dead are supplied by those of us who are here."

The announcer reports that the 54 prisoners are to board Red Cross trucks that will take them outside "our controlled territories." He concludes by reporting that the number of prisoners released so far is "164 soldiers, 2 of whom joined our ranks when they were going to be turned over to the International Red Cross."

CSO: 3248/247

REBELS AIR ALLEGED PROOF OF HONDURAN PRESENCE

PA200002 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT
18 Nov 82

[Text] During the FMLN's recent occupation of the town of Corinto, our forces found a document confirming the violations of our national territory by Honduran army troops. In this report, submitted to his superiors, the national guard chief in Corinto, 2d Lt (Jose Cecilio Sanchez), accused Honduran troops of criminal actions against a Salvadoran family of La Laguna Canton, Corinto jurisdiction. The document stated the following:

National guard [word indistinct] command, Corinto, 16 July 1982.

Sir: I am honored to report that at 1500 yesterday, Mrs (Isabel Benitez), 45, and her daughter (Mariana Benitez Marquez), 23, residents of the Laguna Canton of this jurisdiction, community of Potreritos, appeared before this office to file the following charges:

At approximately 0000 on 14 November, three Honduran soldiers, accompanied by two civilians carrying small arms, visited their home. Inside were Mrs Benitez and her two minor daughters (Maria de La Paz Benitez Marquez) and Lucila Benitez Marquez). The intruders fired several shots and demanded money, having taken with them 765 colones and five machetes, one of them in its sheaf. They bound the three daughters [as heard] and took them to an unknown destination. The daughters returned on the following day, after having been raped by their captors and forced to drink the men's urine.

The civilians who accompanied the Honduran soldiers were identified as brothers (Marcelino and Remigio Benitez), Salvadorans who now reside in Tizate Canton, Honduras.

On 13 September 1981, these elements had attacked the women at home, robbed them of 300 colones and caused one of them a serious knife wound in her left arm, which was confirmed by the local judge.

Notwithstanding the harm caused on that occasion, this time the two brothers were accompanied by the Honduran soldiers, possibly posted in the town of La Estancia, La Paz Department, Honduras, where Honduran soldiers are used to patrol the border.

I submit this report for your information and for whatever purpose you may deem appropriate.

[signed] 2d Lt (Jose Cecilio Sanchez), post chief.

CSO: 3248/247

MEXICAN BANKRUPTCY LINKED TO CORRUPTION

PA160242 San Salvador LA PRENSA GRAFICA in Spanish 8 Nov 82 pp 6, 21

[Article by Herminio Portell-Vila]

[Text] Faced with Lopez Portillo's outrages in Mexico when he is at the end of his corrupt government, Mexican bankers and businessmen have appealed to the federal courts, demanding protection and guarantees. Chamber of commerce, industrial associations, groups of bankers and investors and groups of small businessmen have joined forces to ask the Mexican courts for protection.

Of course, this is a laudable act, revealing maturity of judgment and democratic resolution. In Mexico and in other countries, the development of this legal process is being watched with interest, because it is an effort not only to set Mexican economic life on a straight course but to prevent Lopez Portillo from committing even more outrageous acts in the few weeks that remain to his presidency.

So then, with all due respect to the Mexican courts, we must bear in mind that they are under political, social and even military pressures, which could become insurmountable and end up influencing judicial decisions. In Mexico, the president of the republic enjoys extraordinary powers and authority. Lopez Portillo is making use of these powers with emphatic support from Defense Minister Gen Felix Galvan Lopez, who is his creation, and from the "Mexican Fidel," Fidel Velasquez, chief of the labor movement, who has used the Confederation of Mexican Workers (CTM) as a governmental instrument for more than 40 years.

Now, Jorge Diaz Serrano, the ousted chief of the petroleum industry, who is also a former ambassador to Moscow, appears on the scene asking for judicial procedures against the embezzlers and crooks of "Mexican petroleum." And why not also against the ranking figures of the government, including Lopez Portillo, to determine if they have grown rich through political corruption and to punish them for that very reason?

It is easy while in power to accuse the businessmen of having enriched themselves through financial speculation, but when has a Mexican president ever gone to jail for having enriched himself at the expense of the nation, including Lazaro Cardenas, the leftist millionaire? Mexico's bankruptcy is related to the corruption that has enriched the politicians.

CSO: 3248/244

BRIEFS

SALVADORAN-HONDURAN ACTION--More than 5,000 Salvadoran and Honduran troops are participating in a joint operation to try to surround the Salvadoran guerrilla forces in Chalatenango Department. The military offensive, involving four flanks, is intended to eject the rebels from an area of more than 350 sq km, where the FMLN is in control of several towns. The first clashes took place this Friday, in the area of Penas Del Norte Hill, between Chalatenango and Jicaro. A similar operation is also being staged in Morazan Department, where the army is trying to recover several towns occupied by the rebels. The guerrillas increased the zones under their control this week occupying Corinto and destroying a military detachment, killing more than 30 soldiers. The FMLN is also continuing its sabotage of transportation, communications and power-lines. Approximately three-fourths of El Salvador, including the capital, were without electricity when the guerrillas blew up three powerline posts. [Text] [PA140103 Havana International Service in Spanish 1800 GMT 13 Nov 82]

FMLN ATTACKS POWER STATIONS--Officials from the Lempa River Hydroelectric Executive Commission confirmed today that more than half of the country is without electricity because of attacks. They said that nine departments are without this vital service as a result of attacks by FMLN sappers in Ilobasco, 40 km northeast of San Salvador. They noted that the lines between Ilobasco and San Rafael Cedros were dynamited at approximately 0200 today, thus interrupting the service initially in Cuscatlan, Cabanas, San Vicente and La Paz; later, part of the service to the capital was also cut so that repairs could be made, because the electricity in towns in San Salvador Department had also been affected. The damage to the industry caused by the blackout, which has lasted several hours today, is estimated at several million colones. [Text] [PA121947 San Salvador Radio Cadena YSKL in Spanish 1803 GMT 12 Nov 82]

OPPOSITION LEADER--The fact that the army was forced for the first time to abandon minor towns to the guerrillas was assessed over the weekend in Vienna by Luis de Sebastian, European coordinator of the FDR [Revolutionary Democratic Front] Salvadoran opposition front, as evidence that the "resistance fighters can more and more successfully hold their own against the army." But the opposition politician sees a chance to settle the civil war in El Salvador exclusively through negotiations. In order to bring this about, the United States must exert pressure on the Salvadoran Government, which has abandoned the "road of reforms" and now is only playing the military option." [Excerpt] [AU160933 Vienna DIE PRESSE in German 15 Nov 82 p 2]

FUMIGATION FLIGHTS--The FMLN general command announces that beginning on Monday, 15 November 1982, and for the duration of the current military campaign, no fumigation flights by light planes will be allowed anywhere in the nation's territory. Now that our people are confronting the genocide with their military advance, it is imperative that we use every possible means of crippling the dictatorship's wartime economy. [Text] [PA150355 (Clandestine) Radio Venceremos in Spanish 0230 GMT 15 Nov 82]

NEW AMBASSADOR, CONSUL GENERAL--Jaime Alberto Lopez Nuila has been named El Salvador's concurrent ambassador to the Dominican Republic, Haiti and Jamaica. Also, Dr Arturo Argumedo, Jr, has been named El Salvador's consul general in Mexico. [PA210122 San Salvador LA PRENSA GRAFICA in Spanish 16 Nov 82 pp 2, 55 PA]

NONCOMPLIANCE WITH ELECTORAL MANDATE--More than 7 months have passed since the historic elections on 28 March 1982, when the vast majority of the Salvadoran people voted for peace. That peace for which the Salvadoran people yearn from the bottom of their hearts, seems more distant every day. The saddest thing is that violence prevails everywhere. There is still insecurity, destruction and death. Due to the intransigent attitude of the extremists, we are again experiencing a situation which we believed had been overcome. The logical question is: What has El Salvador gained from the 28 March elections? If the desire to comply with the people's will exists, both the government and its institutions must struggle to achieve peace, to win peace, but not the peace of the cemeteries. They must achieve peace that creates tranquillity, progress, stability, justice and authentic democracy. To achieve this peace, it must not matter that we have to speak, discuss and accept different viewpoints, for the important thing is to win peace. On 28 March 1982, the people issued a mandate to its representatives: win peace. This mandate must be complied with. [Editorial] [Excerpts] [PA200105 San Salvador EL TIEMPO in Spanish 16-23 Nov 82 p 1]

CSO: 3248/247

RPR LEADER BRUNE DISCUSSES SINGLE ASSEMBLY

Cayenne LA PRESSE DE GUYANE in French 23 Sep 82 p 1

[Text] The chairman of the RPR-Guiana yesterday resumed political activity by announcing to the press that he will lead what will apparently be an exclusively RPR slate for the election of the future single assembly.

No arrangement has yet been made for the municipal elections. An agreement with the other opposition organizations cannot be ruled out. The Rally candidates will be announced in January.

Before discussing the RPR political prospects, Paulin Brune reviewed the developments of the past year: "A year ago we were at the bottom of the abyss following the two election defeats in May and June. The first sign of recovery was the Kourou general assembly in November. The rest followed: the creation of RENOUVEAU, the issuance of a reply to the special statute introduced by the two assembly members, and appearance of the Guiana Manifesto. March 1982: the cantonal elections "in which the RPR-Guiana was the only political party which did not lose a seat and even gained." And finally: the chairmanship of the General Council, through age seniority.

And since April: "Our position in the General Council has enabled us to get involved with the decentralization."

An RPR Slate

Paulin Brune went on to say: "Debate on the single assembly has been completed and the bill will most probably be approved by parliament." The RPR-Guiana plans to begin preparation now for the upcoming elections. The movement will present a slate composed exclusively of party members. The General Council chairman added: "It is my right, as chairman, to lead this slate."

In accordance with the practice of Gaullist movements, this will require him to resign from the chairmanship. In this connection, the RPR regional congress--which will meet in November with the theme, "Toward a Guianese Regional Area"--will take the opportunity to modify the party statutes. It

will appoint a delegated chairman who, as Paulin Brune stressed, will be a "a president's man."

Following the same line of thought, the RPR leader has announced that he will not be a parliamentary candidate for the expected legislative election and will not head the slate for the upcoming municipal elections "if he is to have responsibilities in the future assembly." Read this to mean the presidency.

Also, some of the chairman's men have already been sounded out. Among "these men" who are expected to be at Paulin Brune's side in the election battle, we already know of three: Marcel Jerome, a specialist in doctrine issues; Leon Bertrand, on tribal, youth and education matters; and a newcomer, Yvon Elisabeth-Flora, who will deal mainly with communication.

A number of others are expected to join this ensemble, and their names will be announced at the appropriate time. According to Paulin Brune, "President Bollony will decide whether he will join after the final list is prepared." Also on the RPR program for the coming months:

--An exhibition on the theme of Guiana in the 1930's, to be held at RPR headquarters in the second half of October;

--Appearance of volume II of the Guiana Manifesto in November;

--The special edition of REALITES on "The Guiana Economy in 1982";

--In December, the launching of LE RENOUVEAU MAGAZINE, which will deal with major Guianese issues and will be published every other month. RENOUVEAU, whose issue No 8 is appearing this month, will change its publication schedule to bimonthly.

In conclusion, Paulin Brune talked about the local radios. It is recalled that the RPR was the first to participate in a plan. It would appear that since then, on the basis of experience in other areas, the party has abandoned the idea of establishing a political radio. On the other hand, Paulin Brune emphasized: "It is not out of the question that we might favor certain initiatives." He described as a "Norman [noncommittal] response" the attitude of the Ministry of National Defense on the RPR communique about the work done by the 3d REI [expansion unknown]. This is a matter which "will be referred to the National Assembly, like our protest against the canceling of a direct Paris-Cayenne flight that will be heard during the debate on the overseas budget. The same is true of the health situation in the department."

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CSO: 3219/9

ECONOMIC POLICY CHANGES FOR OVERSEAS TERRITORIES NOTED

Cayenne LA PRESSE DE GUYANE in French 24 Sep 82 p 1

[Text] On 22 July, the government instituted an important series of measures concerning two sectors: state aid and the economic environment of companies in the overseas departments.

Modifications to the Financial and Tax Incentives System

The measures aim at increasing the incentive effect of aid, extending its scope to new sectors, and making its application clearer and more selective, at the same time reducing opportunity for tax evasion. The measures concern: the equipment subsidy, employment subsidy, and modified use of the fiscal tool. (See LA PRESSE DE GUYANE of 20 September)

Improvement of the Economic Environment of Companies

--A regional delegation will be assigned the task of helping existing companies, or companies yet to be established. In coordination with the related sector, an information campaign will be conducted among companies in France on possibilities for locating in the overseas departments. Among the various measures we can mention the establishment of an "investment fund" that will provide a backup guarantee to banks (excessive risk), and acquire shares in companies. Units to provide assistance to artisans are also planned.

--Ways for the maritime service to better contribute to the economic development of the overseas departments are being studied. In order to combat anti-competitive practices, the customs channels and procedures will be revised.

--For crafts and construction, the establishment of buying associations will be encouraged through technical assistance and grants.

--The public markets will be more readily accessible for local production, and state ordering will give preference to local production.

--Two funds will be established for the sugar industry, and the EEC will be asked to adjust the cut-off level of national aid to sugar marketing.

Specific Measures

Guadeloupe:

--The purpose in forming of the Guadeloupe Agricultural, Land Savings Association (SEFAG) is to develop Agricultural Land Groups (GFA) that will rent out the land they obtain from the Real Estate and Rural Development Company (SAFER) (initial allocation of 30 million francs). The GFA farmers will participate in the share capital of the groups, and will be helped to do so.

--Two main objectives are defined for developing the Leeward Coast: to eliminate the backwardness in collective facilities and to revive the productive capacity by creating poles of development (jobs and sector organization, such as fishing, crafts, and tourism). The 43 priority activities of the project (total cost: 428 million francs) will be carried out progressively from now until 1985.

Guiana

A group of proposals concerning Guiana feature the development of new relations between the state and its Guiana partners, both elected and professional (multi-year contracts, comprehensive approach to problems, significant effort in training and producing supervisors, and strengthening of the cooperative sector).

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CSO: 3219/9

METHODIST LEADER SAYS CHURCH NOT THREATENED BY PRG

Port-of-Spain TRINIDAD GUARDIAN in English 7 Oct 82 p 7

[Text]

THE METHODIST Church in Grenada has not been intimidated by the People's Revolutionary Government (PRG).

While there have been no dramatic pronouncements by the church there, it is in constant consultation with Prime Minister Maurice Bishop and Ministers of the Government on matters vital to the church and the people generally.

This view was expressed earlier this week by the Rev. Leonard Locke, superintendent of the South Caribbean Circuit of

the Methodist Church in the Caribbean and the Americas, at an interview with the Rev Edwin L. Taylor, president of the Methodist Conference.

Rev. Taylor was discussing the outcome of the recent three-day consultation involving delegates (clergy and laity) from all segments of the Conference at the St Andrew's Theological College, Paradise Pasture, San Fernando, and was asked about the church in Grenada.

Rev. Locke said that as far as he knew there was "No intimidation of the church by the government."

He disclosed that he had himself visited one of the detainees but they complained about "an insufficiency of exercise time." He gave no idea of any "harsh

and or inhumane treatment" Rev Locke said. Detainees were visited regularly by church representatives.

He stated that the church was carrying on its business "as usual," discussing vital areas of life generally, with the government and had "kept the doors for consultation open rather than choose a "path of confrontation."

He said that "the situation in Grenada had made the churches stronger because they had accepted the fact that it was far better to try to resolve problems together rather than singly."

While there was always reasonably good relationship among the different churches, today they were far more united than any time in the past, he stated.

CSO: 3298/087

ECONOMIC, SOCIAL DEVELOPMENT PLAN FOR 1984-1988 REPORTED

Pointe-a-Pitre FRANCE-ANTILLES in French 25 Sep 82 pp 1, 10

[Text] Under the chairmanship of Guy Frederic, the Economic and Social Committee met in plenary session the day before yesterday, Wednesday, 22 September, in the chamber of the Palace of the General Council. Within the framework of the development of the ninth plan (1984-1988), the committee was asked to define the general tendencies that should guide the formulation of a strategy and the conduct of the economic and social development policy of the Guadeloupe archipelago during this period. The three subcommittees thought that the temporary 1982-1983 plan should be used as a basis to establish the trends of the new five-year plan, but that these trends should be put in a long-term perspective.

In this sense an important report was presented, and after discussion it was adopted by majority vote with one abstention, that of the CGTG's [General Confederation of Labor of Guadeloupe?] representative. A long discussion was held by the socio-professionals on the security that must exist in Guadeloupe if we want to attract potential investors. Examples were given of interested investors who until now have not committed their capital because they are waiting for the situation to be clarified. Only the CGTG's representative questioned this fact, stating that the situation was no more threatening here than elsewhere.

Nevertheless, the majority of the members of the Economic and Social Committee gave a favorable opinion of the report presented, which will now be relayed to the Regional Council.

The report stated that after 36 years of being a French department, it must be noted that neither the per capita increase in income nor the growth in the level of public spending and social transfers has prevented a quantitative decrease in agricultural production, which today has no more than a social character; the accentuation of imbalances by sector; and increase in the trade imbalance; and a constant unemployment rate over 20 percent despite emigration. At the same time the industrial sector remains embryonic despite a policy to attract capital, which did not adequately consider the imperatives of productivity, especially because of the atmosphere of insecurity, while restraints put on firms were increasing. There is also an administrative structure that is out of proportion in comparison to the local economic basis (civil servants' salaries account for 55 percent of the salaries distributed).

Although the Guadeloupe archipelago has undergone significant changes in many respects, the lack of originality in development models and in planning follow-up has not enabled a self-sustaining growth process to be initiated.

In a word, the increase in the Guadeloupian standard of living, although higher than most of the Caribbean islands, is still 60 percent lower than that of France and depends on the growth of French economic wealth and the willingness of our leaders to maintain this budgetary assistance, or even to increase it, in order to reduce the social inequalities between our islands and France. This would only amplify the structural imbalances and the characteristics of our underdevelopment and would not help the start-up of an "autonomous" economic machine, which is now practically non-existent.

Thus, it appears necessary today to establish development objectives that focus primarily on means that can grapple with the structural imbalances of our economy, with the real causes of our underdevelopment and which correspond to a new overall strategy of voluntary, long-term development.

The success of this strategy is based on political, financial and regulatory means that can be obtained through the "decentralization law." It is absolutely essential that Guadeloupians are able to manage this jurisdictional area as long as they are courageous, competent and consistent, rigorous and effective. The handling of development is an extremely delicate matter which cannot abide improvisation and demagoguery.

After these observations on the economic situation, the report suggested several directions in which to go and ways to get there.

Agriculture and Fishing

The Economic and Social Committee strongly insists that the future of Guadeloupian agriculture not be seen in terms of a simple continuation of past trends. Agriculture should be rethought in a fundamentally and resolutely different manner.

"Fundamentally" means that agricultural development must include a stage of integrated organization; vertically, on the one hand, with the concept of branches for product types, from the production stage to the final consumption stage, and horizontally, on the other hand, by better ties among the branches themselves, and particularly between agriculture and the other sectors of the Guadeloupian economy.

"Resolutely" because, through decentralization, which brought new economic jurisdictions to the regions, and through the concept of contract which has been retained by the state for the implementation of the ninth plan, the involvement of elected officials and professionals is indispensable

and even inevitable. As a result, within the framework of this economic and social development strategy, an evolution toward a more balanced, more self-sustaining, more interdependent and fairer agricultural system has been proposed.

Guadeloupian agriculture is based on two export crops, sugar cane and bananas, which must be kept as the kingpins of economic development. Nevertheless, this situation should be reviewed and corrected to become more balanced.

This will involve increased mechanization and streamlining of traditional crops, diversification in the areas of animal and vegetable products destined for the foreign market, which should enable the work force to be retained, improvement of local products and, lastly, choosing and implementing a voluntarist policy to reorganize agricultural structures compatible with the desired economic development. This rebalancing can only be done within the framework of a real agricultural reform which will not stop with mere land reform.

Guadeloupe imports most of its food products, although the majority of them could be produced on site.

The goal would be to seek lowered production costs and to organize distribution networks which would enable products to be sold on the local market while letting the law of supply and demand operate.

The Guadeloupian farmer understands that the time of individualistic agriculture is over. Movements to reorganize that spring up should be encouraged, without forgetting to provide them with the necessary structure, which implies the development of a training system.

It is inconceivable that a farmer is unable to obtain a decent income from his farm labors.

Thus, a more balanced, more self-sustaining, more interdependent agriculture should, as an inevitable result, insure a fairer income at macro and micro-economic levels.

Social concerns will not be neglected and will depend on the type of farming used and the crops, especially in sugar cane production.

As for fishing, the report specifies that results obtained to date must be strengthened in order to meet local needs. It is necessary to perfect techniques, to build a fleet of small boats, to build a modern trade network, to develop aquaculture and industries related to fishing, to improve the fishing atmosphere (training, incentives, etc.) and, above all, to renegotiate fishing zones with our Caribbean neighbors. Because what good would it be to incur sizable modernization costs if the sailor-fisherman cannot fish in his traditional abundant waters?

Industry

As for industry, the report mentions:

A. Improving the structures of industry:

- by strengthening the competitive ability of firms
- by encouraging interdependence, i.e., a better economic integration
- by promoting small and medium-sized industries
- by reorganizing distribution and economic information circuits
- by implementing appropriate regulations
- by moving agriculture from the agricultural stage to the agro-industrial stage.

B. Implementing an appropriate policy in the technological field:

- adapting technologies to local conditions
- promoting innovation
- refurbishing (particularly in the area of sugar).

C. By encouraging, studying and allowing the transfer of craft know-how to industrial technology.

D. Playing a bigger role in the development of local added value by emphasizing productive activities.

E. Strengthening the firms producing for local consumption and reinforcing the means to become exporters.

F. Reorganizing the logistic environment of firms.

G. Making sure that the establishment of industry replies to concerns of balance and physical location.

H. Rethinking in terms of quality and cost air and sea transportation, both between the islands of the Guadeloupe archipelago and the islands of the departments and the Caribbean. A real transportation policy is the indispensable factor in the development of industry.

Making our maritime and air infrastructures play a basic role in divorcing Europe from the Caribbean, while making sure that this redistribution can bring an additional local added value other than the service itself without stifling local industry.

I. Providing quality training at all levels and in accord with the needs of men and the economy.

Other Sectors of the Economy

The report of the Economic and Social Committee then studied all the other sectors of the Guadeloupian economy:

Construction-Public Works

- Immediately begin a policy of large-scale infrastructure projects, housing, etc. within the framework of an overall plan for territorial development.
- Develop property
- Improve the quality of all categories of residences
- Develop the techniques and technologies which will enable local raw materials to be integrated with intermediate products.

Crafts

- Develop and maintain existing firms:
- by creating a real tool for training and improvement in crafts and trades
- by helping production and purchasing cooperatives
- by informing local populations and craftsmen
- by combatting underground work.

Energy:

- Use new methods to reduce our energy dependence
- Control consumption (traditional architecture, etc.)
- Use supplies more efficiently
- Develop different renewable energy sources.

Services:

- Integrate the service sector into productive activities by having the distribution network help sell local products
- Encourage the development of the trade structure linked with productive activities
- Reorganize the distribution circuits.

Tourism:

- A new growth phase:
- promote the Guadeloupe label
- integrate tourism more closely into the economic and social fabric
- involve Guadeloupians more in the various stages of the development of this industry
- spread tourist activities harmoniously throughout the nation
- expand the concept of lodging.

Health, Daily Life

The priorities which emerge and toward which the efforts of the public authorities and the principal interested parties should be directed are:

- establishing the means to train health personnel and to provide a great deal of information to the public;
- continuing to improve the health of individuals in the outskirts of large cities and in rural areas;
- putting an end to the rural exodus to cities and towns and to France;
- establishing and developing an epidemiology service in order to improve control of health problems;
- a program to combat poor nutrition, in which food balance would play an effective role;
- performing prenatal and neonatal detection of drepanocytosis on a regular basis. Perinatology should also be studied and stillbirths prevented.
- medical information.

All of these problems require us to ask for reorganization of ad hoc services and an increase in personnel in the Maternal and Child Service in order to better monitor women and children. (There is still a large number of high-risk pregnancies in the department--40 percent.)

The health of school-age children should not be slighted. This sector should be given powers which would complement those of the Maternal and Child Service:

- Preventitive and curative care centers should be created in rural areas in the next few years.
- The driving idea of humanizing the hospitals must be maintained and continued during the ninth plan.
- The medical card should be reviewed.
- The public authorities should focus their efforts on keeping elderly persons at home and creating gerontology activity centers.
- A complete policy for the handicapped and for maladjusted children should be encouraged.
- Centers for maladjusted children and handicapped individuals should be developed.
- A regional health observation bureau should be established.

Surroundings and Environment

A policy for the living environment, and particularly for housing, is indispensable. Preceding plans have already emphasized the size of needs (elimination of unsanitary areas, etc.).

Three thousand subsidized housing units should be established each year, including about 2,000 heavily subsidized units.

This housing policy will have effects on health, as well as direct and indirect effects on employment.

Improvement of housing, however, should not become an incentive to come and live in cities and towns. Thus, there is the need to improve rural housing at the same time.

The problems of the environment occur at different levels:

At a national level, as a result of changes which sometimes occurred imperceptibly in the location of human activities, in urban development, transportation, leisure, types and levels of pollution, the countryside and wildlife.

Nature cannot remain immutable and unaffected by the change in economic and social structures. To a larger extent it is the image of a society.

It is therefore necessary to modulate this change to prevent irreversible damages to our living environment from accompanying and upsetting the improvement in our standard and quality of life.

The fight against pollution is one of the major activities to be undertaken to improve the environment. It is the preliminary requirement to any activity to favor the natural and urban environment.

In addition, we must emphasize the danger of allowing the development of one form of pollution which is never discussed adequately, "delinquency". An economic and social development plan which would improve the state of economic factors would not bypass the notion of the safety of goods and individuals.

Through their diversity, associations have an important role to play in the life of the city. Their role should be the necessary means placed at their disposal.

A Different Society

This report of the Economic and Social Committee has outlined the general issues that could be used as the basis for working up a true development plan which would respond to immediate and long-term concerns and would take into account socioeconomic, historic and cultural realities.

The necessity of organizing and of developing the economic space of our islands implies the desire to question, to regulate economic life and to orient it in a different direction than that of "using budgetary assistance to catch up to the standard of living in France." Guadeloupians, motivated by a strong desire for progress, no longer want to experience unemployment or underemployment and emigration. The total process of dynamic planning, bold but realistic, will be this future.

However, such a plan cannot be accomplished without using our many social and political forces, without using our leaders, who feel obliged and ready to commit themselves to a willingness to change which should lead to a different society. The standard of living of such a society does not depend exclusively on transfers but also on competitive production, conceived and executed by the men and women of the Guadeloupe archipelago.

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CSO:3219/11

UNITED STATES MILITARY ROLE IN STRUGGLE NOTED

PA141223 Paris AFP in Spanish 0318 GMT 14 Nov 82

[Text] Mexico City, 13 Nov (AFP)--Judging from detailed documents released here this afternoon by opposition sectors through the Guatemalan news organization ENFOPRENSA, the U.S. military industry has an active role in the Guatemalan Government's struggle against the revolutionary organizations.

One of the photocopies sent to AFP is a letter sent by the Conex, Inc., a firm in Miami, Florida, to Col Mario Enrique Vasquez, chief of the logistics section (A-4) of the Guatemalan Air Force (FAG), in which an individual named Mary Correia told Vasquez, among other things, about the maintenance rendered in the United States, through the firm, to parts of Guatemalan's counterinsurgency (A-37 "Dragonfly") airplanes.

Other alleged evidence is an invoice given by the same firm to Colonel Vasquez and dated 16 June 1982 which notes the characteristics and unit and total price in dollars of 100 flightsuits, 100 leather boots and 50 bulletproof vests.

According to the sources, both documents were in Colonel Vasquez' possession when the FAG helicopter in which he was riding during an antiguerrilla operation was downed by the rebels last 15 October. All aboard were killed.

The same source indicated that the large supply of materiel taken from the aircraft debris was evidence of the support that Chile gives to the Guatemalan armed forces in the preparation and training of its officers.

For example, a Chilean Air Force identification card made out to Mario Vasquez Maldonado, bearing his photograph and stamped by the Air War Academy [words indistinct] a cable dated 15 December 1981 from Ambassador Enrique Castellanos to Guatemalan Foreign Minister Rafael Eduardo Castillo advising him that after a course in that academy "with optimum qualifications" and the recognition of his professors during a special ceremony, Vasquez was appointed "honorary fighter pilot of the Chilean Air Force."

The Conex firm's letter to Colonel Vasquez also advised him that "we still have pending the 200 pounds that the FAG has to pick up at Homestead AFB in Florida" added, "I have to notify the base or the U.S. logistics section 30 days in advance so they can move the cargo to Homestead base."

The informants indicate that although the contents of the 200 pounds is not specified "the fact that they are being transferred to a military base by the U.S. Air Force logistical section and picked up by the FAG makes it appear as if the materiel involved is military."

In the letter, the so-called Mary Correia advises the colonel that "we already bought the telephone for the commander" and tells him that "I sent you an envelope on 13 June 1982 containing the receipts you need with Col Mario Cabrera of Aviateca (the Guatemalan commercial airline). Finally, she thanks him for "the bank drafts you sent us."

According to Guatemalan opposition members at the time of his death, Mario Enrique Vasquez Maldonado was 30 and "one of the best FAG counterinsurgency cadres."

He belonged to the group of air pilots of Gen Lucar Garcia whose personal trust he had. This did not prevent him from being promoted in the government of President Rios Montt after the 21 March coup d'etat when he was promoted to the FAG general staff in charge of the logistic section. He held this post at the time of his death.

CSO: 3248/243

SALVADORAN REACTION TO HINTON SPEECH VIEWED

PA131303 Guatemala City Cadena de Emisoras Unidas in Spanish 0050 GMT 12 Nov 82

[Station commentary: "The Person Who Pays Is the One Who Gives the Orders. Why Should the Salvadorans Make Such a Fuss About This?"]

[Text] A few days ago, Deane Hinton, U.S. ambassador to El Salvador, speaking to representatives of Salvadoran industrial and commercial sectors, made a statement that was unusually harsh and absolutely contrary to traditional polite diplomatic language. His speech was a mighty thrashing to the Salvadoran Government.

Among other things, the U.S. diplomat denounced the ineffectiveness and corruption of the Salvadoran judicial system, the repeated violations of human rights, the increasing number of unsolved murders and the interference with the investigations into the violent deaths of U.S. citizens, including four Catholic sisters and two agrarian reform experts.

We listened to portions of the U.S. diplomat's statement through the Voice of America. Speaking with an accent that could be from Oklahoma or Brooklyn, and adopting the manner of the Roman proconsuls of ancient times toward their vassals of Thrace or Nubia, he spoke sharply, without euphemisms. He was not beating about the bush: Either you behave well from now on, or Uncle Sam's aid will be cut off.

The reaction from Salvadoran rightwing sectors was not long in coming, in view of this thrashing from the imperial proconsul. Pulling their hair out and tearing apart their clothes, the Salvadoran rightwing sectors have strongly protested this abusive intervention by the U.S. diplomat in the internal affairs of their country.

But why are the Salvadoran lords making so much fuss? The one who pays gives the orders, says an old saying. If the Salvadoran regime is still alive in that bleeding sister republic--and there is no solution in sight to end the killings--it is only and exclusively because of U.S. economic and military intervention. This aid is accepted with open arms, but the reprimands of the stern boss are rejected. What a paradox.

CSO: 3248/243

VOLIO SUPPORTS GUATEMALA STAND ON BELIZE

PA101557 Paris AFP in Spanish 2316 GMT 9 Nov 82

[Excerpts] Guatemala City, 9 Nov (AFP)--Costa Rican Foreign Minister Fernando Volio announced today that his country "goes hand in hand with Guatemala on the subject of Belize at the OAS" and asked for an end to the international isolation of Guatemala.

Volio thereby backed Guatemala, which is opposed to Belize's joining the OAS and even refuses to recognize the independence of the former British colony, which it considers part of its own territory.

Volio, who is scheduled to meet with President Efraim Rios today also spoke about Costa Rica's good relations with Belize, but asserted that this does not mean that Costa Rica supports Belize's stand against Guatemala.

Volio said that Belize's Prime Minister George Price was invited to the forum for peace and democracy because of "the relations between our countries, but this does not mean that we are on their side."

The Costa Rican foreign minister also stressed that "Guatemala should not be left out of any organization or estranged from the Central American bloc."

Even though the details of today's meeting with Foreign Minister Eduardo Castillo are not known, Volio spoke of his concern over the status of the Central American common market and Guatemala's estrangement from the rest of the regional bloc.

The Costa Rican foreign minister also pointed out that "my country's current stand is against terrorism and violence, which alter the normal process of the people's will."

Foreign Minister Volio hinted at the possibility of a meeting of Central American and Caribbean presidents and foreign ministers in the near future, and also of a possible visit by Costa Rican President Luis Alberto Monge to Guatemala.

CSO: 2348/242

TANA PRESIDENT VIEWS U.S. AID TO REGIME

PA101941 Havana International Service in Spanish 0000 GMT 10 Nov 82

[Station interview with Guillermo Toriello, former Guatemalan foreign minister and current president of the Anti-Imperialist Tribunal of Our America--place and date not given]

[Excerpt] [Question] Toriello, for several years you were foreign minister of Guatemala, during the democratic period of 1944 to 1954 and you are now vice president of the Guatemalan Committee of Patriotic Unity. There has been talk of the imminent resumption of U.S. military aid to Efraim Rios Montt's regime in Guatemala. What is your opinion of this action which could take place soon?

[Answer] This demonstrates the aggressive and at the same time irresponsible policy of the fascist regime that is headed by Ronald Reagan. To that group, the need to maintain their system of political and economic domination is so important that they do not care about the security, lives or freedom of our people. In order to defend their economic interests--and let us remember that at present there are over 110 U.S. transnational companies in Guatemala and they have converted Guatemala into a virtual yankee colony--in order to maintain that structure of domination in the country and to continue plundering our resources and natural wealth, they are prepared to give military and economic aid to one of the most infamous regimes in Guatemalan history: the regime of General Rios Montt.

What is the United States after? It wants to perpetuate its domination of the country and at the same time strengthen that type of military regime, without regard for the fact that it is made up of real murderers of the Guatemalan people.

2348/242

OFFICIAL VIEWS OIL PRODUCTION POSSIBILITIES

PA171530 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 16 Nov 82

[Text] In relation to President Efraín Ríos Montt's remarks during his Sunday message on oil law reform and self-sufficiency in fuel, deputy secretary of mines (Manuel Castellanos) today reviewed expectations for oil production by 1988.

[begin recording] Our objective is to make the country wholly self-sufficient. If this law is accepted by the big trusts involved in petroleum exploration and exploitation, and since we think we have good sedimentary fields which make it possible to obtain oil from the subsoil, we are almost convinced that this will make our country not only self-sufficient but also an oil-exporting country. When I told you that our country was the sole owner of its oil I meant that we will keep the amount we need for consumption and subsequently export (?the surplus). [end recording]

The deputy secretary of mines, hydrocarbons and nuclear energy answered "Teleprensa's" [name of newscast] question on how the studies have been made concerning the new petroleum law, which also includes a code on this subject.

[begin recording] To be honest, this deputy secretariat and the secretariat of [words indistinct] agreed that studies were needed to completely abolish the existing law and to create a new (?petroleum law). This is why we dedicated ourselves for some 3-4 months to the task of preparing such economic studies. The studies were then analyzed by a high-level commission and have now become a bill. Within a week the president will meet with this commission to decide whether the economic studies will be approved. [end recording]

In conclusion, the deputy secretary explained the basis of President Montt's statement that by 1988 Guatemala will be self-sufficient in petroleum due to the new legislation.

[begin recording] Oil economists have predicted that by 1990 even countries with the necessary resources will not be able to obtain petroleum byproducts, which will be too scarce. Perhaps 1991 is too early. I would venture to say that by the year 2000, we would not be able to obtain those products, even with the necessary resources. Therefore, one of the fundamental goals of this secretariat is to make the country wholly self-sufficient in its consumption. [end recording]

FORCED DISPERSAL OF REFUGEES IN MEXICO CHARGED

PA211354 Guatemala City PRENSA LIBRE in Spanish 13 Nov 82 p 4

[Article by correspondent Edgar Octavio Giron Castillo]

[Text] Tapachula, Chiapas, Mexico--The Guatemalan refugees who have temporarily settled in the Lacandona jungle have become the target of serious aggression on the part of Mexican authorities. When the refugees refuse to accept the cards that are forced on them and that categorize them as agricultural workers, they are forced to disperse throughout Mexico.

The press here in Chiapas has reported broadly on the charges leveled by Susana Arreola, representative of the Mexican Committee of Solidarity With the Guatemalan People, who said that 700 Guatemalan refugees from the camp located in the Cuauhtemoc District have been forced by migration department employees, led by delegate Marcos Cesar Morales, to disperse throughout Mexico as agricultural workers.

According to Arreola, on 3 November, the migration department employees forced the Guatemalans in Cuauhtemoc District to accept the new migration cards that categorize them as workers rather than refugees. Arreola went on to say that the Guatemalans did not want to accept the cards but that Morales, the migration delegate in Ciudad Cuauhtemoc, forced them to take them.

After giving them the cards, he ordered them to leave the community and to seek employment elsewhere in the country.

Meanwhile, spokesmen for the solidarity committee said that relocating the peasants is a great responsibility for the government, because their removal from the border areas has rendered them susceptible to assimilation into the Mexican population.

The spokesman said that it is risky and inhumane to disperse these groups and to incorporate them into areas that are foreign to them. This disintegration could be avoided by leaving them in their current groups and by respecting their culture.

In view of the aggression suffered by these Guatemalan peasants in the Chiapas refugee camps, the Committee of Solidarity With the Guatemalan People has requested the immediate dismissal of the immigration department representative in Cuauhtemoc, accusing him of kidnapping, intimidation and even physical aggression against the refugees.

CSO: 3248/241

COUNTRY SECTION

GUATEMALA

BRIEFS

CORN TO NICARAGUA--Guatemala, 15 Nov (ACAN-EFE)--Guatemalan Agriculture Minister Leopoldo Sandoval reported today that Guatemala will receive more than \$3 million from the sale of corn to Nicaragua. He explained that the grain is already being exported to Nicaragua and that the amount has been set at 500,000 quintals. [Excerpt] [PA152255 Panama City ACAN in Spanish 1722 GMT 15 Nov 82 PA]

SWISS WARPLANES--Guatemala City (SALPRES)--The 31 January People's Front (FP-31) has charged that at least 12 Swiss Pilatus PC-7 warplanes have been received this month by the Guatemalan Government. From 1979 to 1981 the Swiss Stanser Pilatuswerke factory sold the Guatemalan Government 12 warplanes, evading the federal law on exporting military materiel, the opposition organization told SALPRES. The FP-31 claims that there was an incendiary bomb attack on the Stanser Pilatuswerke factory in Switzerland on 3 October, which destroyed four aircraft and a large part of the factory. The self-styled "Dawn in Buergenstock" group claimed credit for the attack. It has been confirmed in Berlin (FRG) that the Pilatus aircraft is suitable for jungle operations. The aircraft was described as "material not apt for war" in the federal law on exporting Swiss military materiel. According to the charge, the airplanes are equipped with Belgian "Herstal" machineguns and incendiary bombs. Swiss technicians are training the Guatemalan military on their use. [Text] [PA140332 Managua EL NUEVO DIARIO in Spanish 9 Nov 82 p 3]

MEXICAN BOATS SEIZED--Champerico Port--Four Mexican pirate vessels, which have been fishing in Guatemalan waters for some time now, were seized by the local authorities. In addition, their crews were captured, the treasury police have announced. According to our source, Mexican citizens Manuel de Jesus Masariego Veliz and Mario Barrios Andrade have been turned over to the appropriate courts. The rest of the detainees have yet to be arraigned. The four boats were seized by the navy while fishing for shrimp, octopus and other seafood in Guatemalan waters. The name of the company that owns these boats has not been disclosed. [Edgardo Leonel Alvarado] [Excerpt] [PA132057 Guatemala City PRENSA LIBRE in Spanish 12 Nov 82 p 4]

NEW ARGENTINE AMBASSADOR--Angel Fernando Girardi, new Argentine ambassador to Guatemala, presented his credentials to Foreign Minister Eduardo Castillo Arriola on 8 November. Protocol director Antonio Chocano Batres attended the ceremony. [PA190242 Guatemala City PRENSA LIBRE in Spanish 9 Nov 82 p 8 PA]

U.S. AID--Despite the fact that the United States formally suspended its military aid to Guatemala in 1977, this aid has continued through the years, according to documents seized from Col Mario Enrique Vazquez, the pilot of a helicopter downed in October by Guatemalan guerrillas. According to the documents, which the Guatemalan Armed People's Revolutionary Organization, ORPA, has released in Mexico City, Guatemalan army planes have been repaired in the United States and spare parts for military aircraft continue to be shipped from the United States. Colonel Vazquez' belongings also included a 1981 graduation certificate from the general course in Chile's Air Force War Academy and a document appointing him an honorary pilot in the Chilean Military Air Force. [Text] [PA150232 Havana International Service in Spanish 0000 GMT 15 Nov 82]

MLN LEADERS ARRESTED--Guatemala City, 10 Nov (ACAN-EFE)--Interior Minister Col Ricardo Mendez Ruiz today disclosed that two leaders of the National Liberation Movement (MLN) are under arrest for their involvement in the 20 October coup attempt. The prisoners, Raul Cacacho Ralda and Jorge Augusto de Paz Alpirez, will be turned over to the special courts, the top Guatemalan military officer said. Cacacho Ralda and Paz Alpirez are leaders of the rightist MLN, and their relatives had reported through the Guatemalan media that they were missing, noting that they had been kidnapped. Reports in this regard say that the prisoners disappeared on 20 and 21 October. The disclosures made by Mendez Ruiz today confirm previous reports on a foiled plot that included the involvement of "top military officers" and MLN politicians. The only arrests reported so far are those of the two MLN civilians and of Col Luis Gordillo, former member of the military junta that seized power in the wake of the 23 March coup d'etat. [Text] [PA110417 Panama City ACAN in Spanish 0027 GMT 11 Nov 82]

FAR OPERATIONS INTENSIFIED--The Guatemalan revolutionaries have evaluated their actions against the army. The captain (Santos Salazar) southern region command of the Rebel Armed Forces [FAR], member of the Guatemalan National Revolutionary Unity [URNG] has intensified its activities against the Rios Montt dictatorship, inflicting much damage on the economy and many casualties on the army. It has reported that since Rios Montt seized power, the revolutionaries have carried out 142 propaganda and 24 sabotage operations, the enemy has suffered 46 casualties and the rebels have recovered many weapons. [Text] [PA091950 (Clandestine) Radio Venceremos in Spanish to El Salvador 0230 GMT 9 Nov 82]

CSO: 3248/242

PPP CHARGES TUC IS UNDER THUMB OF PNC ADMINISTRATION

Press Statement

Georgetown MIRROR IN English 17 Oct 82 p 1

[Text] THE People's Progressive Party as a truly working class organisation must be and is concerned over the direction of the Trades Union Congress (TUC), which is supposed to be representative of all the active trade unions in Guyana.

In a press statement, the Party said: --Instead of the TUC being a vital force in the struggle of the working class for a living wage, better working conditions and all the basic rights of workers, it has, through the years, been reduced to a body completely under the thumb of the ruling party. As such, it is immobilised into inaction, to serve the interests of the regime which wants no opposition to its drastic policies which have led to the ruination of the nation's economy and the marked reduced living standards of the workers, as well as reducing the work force by immense numbers in its harsh retrenchment programme.

All of this became even more clear at the recent Annual Conference of the TUC where the 2 largest groups of workers, who are all employees of the government since nationalisation of the bauxite and sugar industries, were totally excluded from the decision-making bodies of the TUC.

With the PNC-conspired exclusion from the leadership of the trade union movement of representatives of the productive sectors forming the backbone of Guyana's economy, two things have become abundantly clear. The PNC's distrust and hatred of the agro-industrial proletariat which must rip to the guts any claim that party might still have of being 'socialist', and the woe-full decline of the TUC almost into a mere shell unworthy of any genuine respect from the working people.

For many years the Guyana Mine Workers Union (GMWU) was manipulated by the PNC as a pawn in its schemes to hold down and cheat the bauxite workers. Many hand-picked union leaders were foisted on the workers in that vital industry until matters became so overbearing that it reached the High Court which pronounced in favour of the workers. Today the GMWU is asserting itself under new militant leadership.

Where the GAWU is concerned, it is known that this union has led the struggle for industrial democracy for decades and is feared for its militancy by the regime.

For too long, the TUC has been used as the buffer between the workers and their employers, particularly as regards those whose employers are the PNC regime. We have witnessed the cat and mouse game played by the TUC over the matter of the minimum wage, where it entered agreement with the government, which reneged on and refused to pay the \$14 minimum wages. Barely a belch came from the TUC on this flagrant violation of an agreement and it became clear that it would at no time oppose the government in fact, although in words it was given some licence.

It is in the interests of the minority PNC to divide the working class, as was done so cleverly during the colonial period, in order to maintain power without consent. The TUC has been a willing tool to this destructive policy.

The PPP believes that with the latest developments, trade union democracy even at the level of the TUC is being thrown overboard. Trade unionism is at the cross-roads in Guyana; the TUC is in a real dilemma.

The People's Progressive Party, which speaks for the majority of Guyanese, deprecates the recent manipulations of the TUC and states that whether or not that body comes to its senses, the PPP will pursue all means for the unification of the working class of Guyana and of all working people in the struggle to win genuine liberation for all Guyanese people.

Imbalance in Representation

Georgetown MIRROR in English 24 Oct 82 p 4

[Text] FIVE unions (AMM, GEU, GHCBSA, PLAWU and GLGOA) with a total of 1424 members or 1.8 per cent of the TUC's membership have 23 per cent representation on the TUC Executive Council while the Guyana Agricultural and General Workers' Union with 20 per cent of total membership has no representative on the Ex-co.

Further, the GCMFBSA, according to a controversial clause of the TUC's Rules was allowed one delegate to 13 members to the recently-held TUC Conference while GAWU was allowed one delegate to 442 members.

These and other revealing facts come to light in examining the recent TUC elections at the Conference where the workers in the main productive sectors of the economy (sugar and bauxite) were left without any representation on the Executive Both GAWU and GMWU were ousted.

Further it was pointed out that two unions (GLU and ATGMU) with 13.3 per cent of total membership have together 6 seats or 23 per cent representation on the TUC Ex-co.

It is also interesting to note that fifteen members of the TUC with a total membership of 1,515, had 93 delegates at the Conference, pay a total of

\$32,271.16 as membership fees while GAWU alone with 15,037 members had only 34 delegates at the Conference, and pays a sum of \$31,272.96 to the TUC.

Nine of those 15 unions have 11 out of the 26 seats on the Executive Council.

Of the 23 unions within the TUC seven are without any Ex-co seats. The seven include GAWU, NAACIE, UGSA, GMWU, GFF&SU, PEU, GEU and GCMFBSA. These seven unions have a membership of 25,505 as against a total TUC membership of 76,114: together they had 73 out of the 231 delegates at the Conference and contribute \$55,952.83 to the total of \$158,317.12 which the TUC receives from the 23 unions as fees.

It is this situation which had led to the deepening of the rift within the labour movement and exhibit the undemocratic and unrepresentative nature of the TUC.

One leading labour leader in the country remarked: "That there is a very high degree of political pressure being applied on the leadership of many trade unions is an unquestionable fact. Some are torn between their loyalty to the workers whom they represent on the one hand and on the other hand their loyalty to the PNC...It is this political pressure which contributes to the continued weakening of the position of the workers."

CSO: 3298/088

AGRICULTURE IN SERIOUS DECLINE; PNC NEGLECT SAID AT FAULT

Georgetown MIRROR in English 24 Oct 82 pp 2-3

[Text] THERE was humour when Kenneth Hopkinson, Chairman for Region 2 (Essequibo Coast and Pomeroon) opened agri-month on October 1, this year. The occasion was being marked at the Charity Cassava Mill. Without any embarrassment the Chairman lamented the fact that the mill was out of operation since there was hardly any cassava.

The incident dramatised the sad state of agriculture in the "Cinderella County". The Chairman also known as "Bajee", in full National Service garb humorously reflected the PNC's solution to the mounting problems in this sick region. He attacked teachers, warned school children who made up the bulk of the crowd) and dictated that they all must take to the fields and work even during Easter and Summer holidays.

Hopkinson referred, during his talk, to the Carambola drink factory as an achievement of the PNC regime. This brought laughter since no one knew of what he was speaking. Apparently he was referring to a building constructed in 1968 at Charity. This is the fifth factory at that building. It was first intended to be a fibre factory, then changed to a plantain flour factory and in late '69 declared as an orange juice factory. However, for a long time it was used primarily as a dance hall. Now it is baptised a Carambola drink factory.

There has been serious decline in the agriculture sector of the region, once a booming producing area. The regime has closed operations in the lower Pomeroon leaving hundreds of acres of rice land idle. Coffee production has fallen by 90 per cent, corn by 50 per cent and coconuts by 60 per cent. Citrus production, along with that of cassava, is plummeting.

The Tapacuma project has virtually been abandoned. Started by the PPP government, it was neglected by the PNC regime. Today the cost has multiplied ten times. The major construction firms have pulled out due to lack of materials and non-payment.

As a result, the area has become depressed. Unemployment is soaring. Services are scrapped. Basic foods are in short supplies fetching high prices. Blackmarketing is rampant. The rice industry is also collapsing with scores of farmers leaving the land due to discrimination, high prices, maladministration, etc.

Also, as a result, the once growing fish and beef industries are crumbling. Fish is being sold at \$3. per pound while beef is \$6. per pound and scarce. Milk and cooking oil are off the markets and stores. The "Stock Breeding Station" set up by the PPP at La Belle Alliance to service the entire coast was closed down some years ago. Fishermen cannot get outboard engines, spare parts and other materials at reasonable prices. The few engines supplied to the area are being distributed on the basis of favouritism.

The distribution system is getting worse. The PNC controls the goods but most of it gets to blackmarketeers. The PNC is obviously taking advantage of the situation by setting up its own outlets using the facilities of the state. The Fire Station at Anna Regina was converted into a PNC supply centre. It was also reported that top PNC officials direct how and to whom private shops sell scarce goods. Poor Ameri-Indians travelling far distances are left without salt, and forced to buy on the blackmarket at \$1. per pound.

There is also evidence of land grabbing by PNC officials who take possession of land without approval from the Land Selection Committee. Meanwhile, residents, especially young married couples are still waiting to be allocated house lots.

CSO: 3298/088

UNPOPULARITY OF PNC REGIME REFLECTED IN CARICOM ACTIONS

Georgetown MIRROR in English 17 Oct 82 p 2

[Text] ECONOMIC observers note that dramatic events are transpiring in the Caribbean Common Market which indicate, that either the organisation is falling apart at its seams, or a lot of pressure is being applied on Guyana. The PNC regime is not popular or respected in Caricom. It has been noted that many Caricom partners are honouring the Treaty in the breach.

--It is understood that the USA has stepped up its penetration of the Common Market and has already bowled out Guyana from the Jamaican rice market, which Guyana had held for many decades. Under the pro-US Seaga regime, US rice has now taken over Jamaica despite protests from Guyana.

--In Barbados the US lobby is again hard at work, seeking to evict Guyana rice from the Barbados market. The Tom Adams regime is openly pro-US. Already it has notified the Bank of Guyana that Barbados will no longer tolerate a situation where sums owed in trade debts by Guyana are paid in Barbados dollars. Hard currency is being insisted on.

--In Trinidad the same pressures are now being applied, but it is not known for sure if the USA is behind it. Seven big shiploads of Guyana rice have been held up in the harbour since August 1982, unable to be unloaded. This is costing a lot in expenses to have vessels idle for so long, and the Guyana Rice Board has expressed concern. Two GRB officials are understood to be in Trinidad looking into the situation, seeking to achieve the unloading of the rice cargo.

An informed source said that if vessels taking Guyana rice to Trinidad cannot be assured of speedy discharging once in Trinidad ports, they will be reluctant to take more cargo there. This could affect the rice trade, which is why the GRB is looking into the problem. Some \$10 million in rice is reportedly tied up in the idle ships.

--Meanwhile small traders complain about shabby treatment from Trinidad authorities at ports of exit. The security personnel rummage through their baggage and seize supplies of flour being taken to Guyana. They tell the startled Guyanese, that flour is a subsidised article in Trinidad and as such it is not exportable. This crackdown is expected to hit both traders and non-commercial passengers who buy flour purely for domestic use in Guyana.

While these abuses of the Caricom Treaty proceed, the Caricom Secretariat has announced a Heads of Government meeting for November 15 in Jamaica. It is not known what such a Summit at this time will achieve with a background of trade wars, protectionisms, pressures etc. It is well known however that the pro-US anti-Grenada lobby in Caricom plan to gang up on Grenada and to move for its expulsion.

CSO: 3298/088

BURNHAM: GOVERNMENT HAS PLAN TO BETTER ECONOMY, ON WAR FOOTING

Georgetown GUYANA CHRONICLE in English 29 Oct 82 p 1

[Text]

The President of the Co-operative Republic, Cde L.F.S. Burnham, has disclosed the principal elements of a plan for national survival as the indicators of international economic trends continue to point to hard times ahead.

In a declaration of great importance yesterday afternoon, Cde Burnham told the Guyana Labour Union that there is a "positive plan for survival".

The plan involves putting the economy on what the President called a "war footing".

Elucidating this in the speech, which was broadcast to the nation live, the leader said that this means the abandonment of any concern with inessentials and a concentration of effort and resources on providing the basics for survival.

The purposiveness of the government was manifested in a number of revelations made by Cde Burnham. He disclosed that in an effort to ease the food situation the price of beef would be reduced by one dollar from November 1; rice

flour in adequate amounts should be milled steadily from the next few days; fresh fish should be available from one dollar per pound and rice and legume production would be doubled.

President Burnham, in dealing with the requirements of the plan to clothe the nation, stressed that cotton production must be increased and would be increased, and that we shall be wearing cotton, in the main, until our petrochemical resources are developed from the production of synthetic materials for blending.

Cde Burnham added that the housing projects must be continued and forestry would receive due emphasis.

He stated that machinery for agricultural production is coming from Brazil and would require care and trained personnel.

He warned that subversive activity has no place in Guyana at this time, and called for vigilance against those who propose to disturb the peace.

CANE FARMERS NEED FERTILIZER, GET RUNAROUND FROM GOVERNMENT

Georgetown MIRROR in English 17 Oct 82 p 3

[Text] CANE farmers are in difficulties over the shortage of fertilisers, and are faced with heavy losses unless Guysuco releases the necessary fertilisers to them quickly. The situation is already critical and the Guyana Cane Farmers Association (GCFA) has taken up this matter with the relevant authorities.

A spokesman for the cane farmers reported to the GCFA about their experiences at the hands of Guysuco estate officials who simply tell them to "come back later" whenever they ask for fertilisers. The spokesman said that unless the cane farmers obtain this vital input now, "they will not be able to receive a reasonable return for their efforts, and would be bankrupt."

The MIRROR was also told that unto this date, the central government and Guysuco have failed to Gazette the final prices for 1981 sugar. This final price upon which the final payment for 1981 is dependent, should have been revealed since March 1982. The farmers are therefore very worried over this delay, being of the view that outstanding sums are due to them.

It is also understood that the situation at Wales Factory WBD leaves much to be desired. The downtime (breakdowns) at the factory are frequent, and on many occasions juice already made has to be discarded, meaning heavy losses to Guysuco. However the cane farmers are being made to pay for this according to the spokesman, through the reduction of buying prices.

For instance, recently, following the breakdowns, the cane farmers were fobbed off with \$25.63 per ton of canes supplied to the estate, while during the previous week they were given \$28.69 per ton. The farmers are aghast at this reduction in view of increasing expenses, and have charged that they are being made to subsidise factory inefficiency.

At present there is fine weather for cane harvesting and as such the sucrose content is good. The GCFA says that it is not the farmers' fault that breakdowns are occurring and juice is being spoiled. The organisation is demanding justice for cane farmers from Guysuco.

CSO: 3298/088

'MIRROR' ATTACKS BURNHAM'S VISIT TO BRAZIL AS FRUITLESS

Georgetown MIRROR in English 17 Oct 82 p 4

[Text] THE RECENT costly Presidential jaunt to Brazil has yielded no immediate benefits for the Guyanese people who were in the least hopeful for good news that food supplies might be on the way.

The only news of note pertains to the purchase of aircraft and trucks from Brazil. A less than jubilant Burnham came back with neither sacks of flour nor handfuls of dollars to buy scarce foods elsewhere.

The President was going to explain the meaning of his Brazilian trip on Friday last at a press conference, where journalists were required to be seated forty five minutes in advance. For no known reason, the press conference was called off.

The official joint communique merely indicated that talks are continuing between the Foreign Trade Department of Banco do Brazil and the Guyana National Co-operative Bank "with a view to providing further commercial credits for the purchase of Brazilian goods by Guyana." These talks are said to be progressing.

On the question of an increase in bilateral trade and economic relations, only "preliminary conversations" between the two governments have taken place.

During the talks, the two Heads of State spoke about the re-establishment of a direct air-link between Georgetown and Boa Vista, and a navigation line connecting Manaus and Belem to Georgetown.

The Presidents reviewed the status of the project for the construction of an international bridge across the Takatu River and underlined the importance for the future interconnection of the Guyanese and Brazilian highway net work. They also agreed on a possible telecommunication link between the two countries.

On the Guyana-Venezuela border issue, Brazil took no forthright stand on Guyana's side. President Figueiredo only reaffirmed, "in accordance with the traditional Brazilian position", the hope that the matter could be settled peacefully, to the satisfaction of both countries.

A strange development in relationship between the two countries has arisen. Burnham and Figueiredo have agreed to a joint inspection of the border markers along the Guyana-Brazil frontier to be done in the near future.

President Burnham, who spent a week in Brazil was accompanied by a large delegation comprising top government officials, some accompanied by their wives, and a posse of bodyguards and government media reporters. There was an advance official party of one dozen, which brings the total number on the trip to about 50 persons.

CSO: 3298/088

CUTBACKS IN BAUXITE WORRY LINDEN WORKERS, PLANT OPERATORS

Georgetown MIRROR in English 17 Oct 82 pp 1, 4

[Text] LINDEN is fast becoming a drear town. For bauxite workers the heat is on as most of the seven kilns cool off due to a cutback on production. The word is all around--massive retrenchment looms like a pendulum over the heads of miners and plant operators.

The number to go this time (135 workers were hatched in May) is rumored at 1,500. Union leaders are justifiably worried. The impact of the man-power cutback may spark massive problems. Though the Guyana Mine Workers' Union has not been kept informed of retrenchment plans there has been talk of "rationalisation" of the work force due to drop in production, heavy financial losses glut in the bauxite market and loss of markets abroad.

Presently alumina production has come to a dead halt. The mines at Ituni have been closed. At the most, two kilns are working at a time.

The bauxite industry faces an uncertain future and is now experiencing the worst period in its history. Last year alone the industry lost \$100 million. This has resulted in increasing hardships on the workers. Benefits are cut. Workers are told to buy their own safety gear. Little or no social security benefits are provided. And workers are becoming increasingly disenchanted. Unrest is brewing among workers. Recently two foremen were the victims of workers' wrath when they were beaten on the job.

Though still bustling with life, the township suffers from chronic food shortages, blackmarketing and deteriorating social conditions. The government outlets are filled mostly with hardware but with little food.

The position of the Union is not clear among the vexed workers. However, recent developments at the 29th Conference of the Trades Union Congress, showed some positive signs. In a motion to the Conference the Union called for the "establishment of a political base which stands above partisan politics". This is clearly a shift from the strong pro-PNC line carried in the past.

The Union further noted that the rights of the people are "seriously undermined because of the mis-management of the economic and political life of the country." It also called on the TUC to "demonstrate in a positive way its

opposition to the growing plight of the working people." The Union also hit out at the deteriorating social decline and showed concern over the predicament of children. (Children are being sent home from school at Linden due to hunger). As to the food situation it demanded "that the government make available to the working people and their dependants such basic food items as wheaten flour, milk, cheese, margarine, peas, cooking oil, etc". And in a positive way the Union expressed its displeasure at moves to denationalise the industry. One resolution said that the regime "is obliged to make a reality of workers participation..." It said the GMWU must be involved at all levels on matters affecting workers.

These militant positions and a break with the open PNC affiliation has led to its removal from the TUC top bracket. A bauxite worker and union member told the MIRROR during a recent visit to Linden: "The TUC is now a real shell. But still the GMWU will have to show how far it is prepared to fight in the factories, plants and mines."

CSO: 3298/089

DEPARTING ENVOY NOTES INDIAN TECHNOLOGICAL AID POTENTIAL

Georgetown GUYANA CHRONICLE in English 27 Oct 82 p 1

[Text]

OUTGOING Indian High Commissioner to Guyana, Mr. Jankinath Bhat, sees Guyana as benefiting immensely from appropriate Third World technology which India can provide.

A number of developing countries have received and are still receiving technical assistance from India to boost their industrial and economic development, he told the Chronicle yesterday.

Speaking at his office, Bank of Baroda building, Georgetown, Mr. Bhat expressed hope that at the upcoming first India-Guyana Joint Commission meeting in New Delhi, meaningful dialogue will be entered into and firm agreements for technical and other assistance will be signed between the two countries.

At the meeting Guyana's Vice-President for Economic Planning and Finance, Cde Desmond Hoyte, will share the chair with India's Foreign Minister, Mr. Narashima Rao.

The meeting is scheduled for late November and early December, and delegates will discuss matters of mutual interest for the further strengthening of relationship between the two nations. Economic, political, scientific, industrial, technological

and cultural issues will be looked at.

In terms of technical assistance, Mr. Bhat spoke of India providing Malaysia with almost 80 per cent of its electric power generation. The installation was done by Indian experts.

India assisted Nigeria about three years ago, when Nigeria's railway collapsed, and helped her to re-establish it. More than 500 Nigerian engineers have been trained in India.

Mr. Bhat said an Indian expert in Mass Communications is due here shortly to take up a one-year assignment with the University of Guyana. The assistance is provided through the Indian government.

Over the next few days, the outgoing High Commissioner will pay courtesy calls on officials of government and cultural organisations.

Mr. Bhat's wife, Vimla Bhat, is the honorary chairman of the Indian Women's Club at the Indian Cultural Centre in Georgetown.

They will both leave Monday for home.

Mr. Bhat's successor, Mr. Gajanan Wakankar, is due here by the end of November. Up to the time of his appointment, Mr. Wakankar has been serving as director in the Foreign Affairs Ministry New Delhi, India.

PLAN OUTLINED FOR REVITALIZATION OF SUGAR INDUSTRY

Georgetown GUYANA CHRONICLE in English 28 Oct 82 pp 1, 8

[Text]

GUYSUCO'S Chairman, Harold Davis declared last night that while the viability of the sugar industry would seem to be seriously in question, the industry is an important national asset which should be cared for and kept in good heart.

"There is no doubt that the nation needs sugar more than ever before and of course if the industry is to survive it is in dire need of the nation's understanding and assistance", he declared in a talk on "The Future of the Sugar Industry."

Addressing a meeting of the Guyana Association of Professional Engineers (GAPE), Cde. Davis outlined the contribution the industry is making to the nation and said, "to give up sugar is like killing the goose that lays the golden egg."

"There is little need to emphasise that sugar must survive for the benefit of all", he stressed.

Cde. Davis said what was needed was to effect certain economies, treat sugar as a business entity with shareholders giving assistance particularly in the area of financing and also relieve as far as possible, some of the social and economic burdens carried by sugar

which should properly fall on the entire corporate body — the nation.

He put forward a 13-point plan for the survival and viability of the industry so that it could continue to contribute to the gross domestic product and foreign exchange earnings and to provide a livelihood for approximately 120 000 persons.

Cde. Davis said the sugar industry must find a way of retaining and attracting nationals to stay in the industry; of increasing production; of reducing costs and seeking better treatment on the overseas markets.

Defending the industry against critics, Cde. Davis said: "This concept of referring to sugar as an ailing industry cannot help in the recovery efforts which we are making."

NEGATIVE

"It is a negative concept and does nothing but create a feeling of insecurity among those hard innovative workers in the industry. It also has the effect of turning off the bright young people who are needed if the industry is to make a turn-around and to continue to make the contribution, of which it is capable, to the economy of this country", he added confidently.

Outlining his plan for the survival of the industry in the future, Cda. Davis said:

- Firstly, we must seek to reduce overall production cost per ton which has risen steadily since 1973 from \$786 per ton to \$1224 per ton in 1981.

- Secondly, we must carefully monitor production levels, field and factory productivity, declining labour productivity, increasing employment costs, high incidence of unplanned burns, high incidence of thefts and increasing materials and supplies costs.

- Thirdly, heavy off-shore borrowing has now become an unbearable burden and apart from the almost impossible current situation to raise such loans, the interest charges have now become a heavy burden, running as high as \$28 million annually. We must, therefore, curtail off-shore working capital borrowing.

- Fourthly, we must proceed, with speed, with the programme of the rationalisation of the labour force. A preliminary report indicates that there has been a steady increase in the average number of persons employed on each estate from 1973 to the present time, the major increases occurring after a strike period, particularly after the 1977 strike.

- Fifthly, we must seek to rationalise in other areas also, perhaps along the same lines as in the '50's by amalgamating administration services of adjoining estates and the scrapping of inefficient operations.

- Sixthly, we must ensure the further elimination of middlemen in the corporation's buying procedures, going on to more direct purchasing, thereby effecting savings equivalent to the mark-up suffered. In addition, it would be possible to obtain

essential supplies on time for the services required by the industry.

- Seventhly, the burden of the subsidy should be removed from the industry.

- Eighthly, we must seek to increase shipments of sugar to the EEC-UK market which is the bedrock for the sale of our sugar.

- Ninthly, serious consideration should be given to the raising of money through soft-loan financing for capital programmes so essential to the future needs of the industry.

Efforts should also be made to raise working capital locally, since apart from the foreign exchange situation, the interest rates are much lower at home.

- Tenthly, marginal lands are to be taken out of cultivation since they are uneconomic and a drain on financial resources. This of course, would also reduce the existing work force.

- Eleventhly, we must continue with our efforts to retain experienced staff and to develop those newly recruited managers through suitable training programmes and exposure.

- Twelfthly, we must proceed with further mechanisation, particularly in the harvesting areas with a view to reducing costs; and

- Lastly, but significantly, we must continue to strive for further positive involvement of workers in the decision-making processes. Worker participation has now taken on an added dimension with the support of the trade unions operating in the industry.

"There is no doubt that in the final analysis it is the workers who have the capabilities to swing the industry around", Cda. Davis told his audience at the Undercroft Centre, St. George's Cathedral.

BRIEFS

CLARIFICATION ON PLANES--President Forbes Burnham explained yesterday that Guyana is buying two or three passenger planes, that could also be used for reconnaissance, from neighbouring Brazil. He said the planes had been ordered before his visit and therefore did not feature in his discussions during his September 30 to October 5 visit. The President was at the time clarifying a report on the purchase of what were erroneously reported to be war planes while he was in Brazil. [Georgetown GUYANA CHRONICLE in English 23 Oct 82 p 1]

EEC GRANT FOR SEWERS--THE European Economic Community (EEC) has made a grant of G\$4,45 million to the Guyana Government for the rehabilitation of the Central Georgetown sewerage system. According to a release from the Georgetown office of the delegation of the EEC, the grant has been made through the European Development Fund (EDF) under the second Lome Convention. The project costs an estimated G\$7,8 million and will be co-financed by the Guyana Water Authority (GUYWA) and the EEC. The sewerage system commissioned in 1929 now needs a general overhaul. In addition, the system is overworked because of the rapid increase in the population of Georgetown. The project involves the construction of 25 concrete water valve chambers and 48 air valve chambers, the installation of 6 850 metres of pipes, new pumps and pumping stations, and the replacement of the ring main by two rings. GUYWA will implement the project assisted by personnel from the Georgetown Sewerage and Water Commission. [Georgetown GUYANA CHRONICLE in English 23 Oct 82 p 1]

CSO: 3298/089

OVERVIEW OF COUNTRY'S FOREIGN POLICY, 1957-1982

Port-au-Prince LE NOUVEAU MONDE in French 22 Sep 82 pp 4-5

[Text] Introduction

Dr Francois Duvalier's election victory on 22 September 1957 ushered in for Haiti what political scientists call a new era. From the day when the Father of the Revolution took office until now, great changes have been taking place in the social, political, and economic fields, and their impact has made itself felt in our foreign policy and in the conduct of our diplomacy.

Over the past 25 years, the Revolution in Power has transmitted to the foreign policy of the world's first black republic a remarkable impetus characterized by the necessary adaptation to the new realities brought about by the successive changes in the international order of things, examples being the emergence of new states in Africa, Asia, and the Caribbean following the wave of postwar decolonization, the energy crisis, the weakening of bipolarism, the proliferation of international organizations, and the emergence of new transnational entities.

A clear desire for openness has guided the development of that policy, which has enabled the Republic of Haiti to intensify its presence on the world stage while pragmatically ensuring respect for its sovereignty, asserting its historical personality, and defending its basic interests. Development of its policy has been based on dialogue with all and on a redeployment of our diplomatic activities that has been reflected both in clear reactivation and an amplification of relations of cooperation with our traditional partners and in the unprecedented dimension acquired by our relations with the peoples of the Third World.

Notice should also be taken of the restructuring of the diplomatic service as reflected in the new name for the former Ministry of External Relations, which became the Department for Foreign Affairs and Worship under the terms of the law of December 1958, and in the establishment of the National School for Higher International Studies, which in 1973 became the National Institute for Administration, Management, and Higher International Studies and which trains useful cadres for a diplomatic career.

Strengthened by the experience of a difficult international situation, the Haitian Government deliberately chose a policy of openness characterized by an urgent appeal for dialogue addressed to the entire international community.

The opening of new missions abroad, the number of embassies resuming their activities in Haiti during 1971 and 1972, the closer ties with the Dominican Republic, the United States, and the Holy See, and approval by the Inter-American Committee of the Alliance for Progress in November 1972 of massive aid for Haiti all illustrate in a striking manner the positive results engendered by the new orientation in our country's foreign policy over the past quarter of a century.

Haiti and International Organizations

Parallel with those successes, the Republic of Haiti has made every effort, on the basis of the principles which have constantly directed its policy toward overcoming antagonisms on behalf of the search for lines of convergence, to support the choosing of specific solutions for building an international order that can satisfy the profound requirements of peace, cooperation, and international development.

Consequently, the government of our republic never flags in its sustained attention to the problem of the accelerating arms race by condemning that huge and unacceptable waste of resources and energy that are tragically lacking in the Third World countries. The Republic of Haiti has likewise not ceased to protest the barbarous practices of the regimes of apartheid and racial discrimination that are violating the most sacred human rights in South Africa. In that connection, and faithful to its historical traditions and its humanist calling, the Republic of Haiti is proud of having always supported the struggle by the peoples of black Africa to achieve their emancipation.

Having been elected to fill the post of deputy chairman of the Committee for the Decolonization of Namibia in 1976, the Republic of Haiti still continues to assure the valiant people of Namibia and the 20 million blacks in South Africa of its unreserved support for the elimination of all the aftereffects of colonialism and racism.

The acuteness of the conflict between Israel and the Arab world and the echoes of that tragedy in the United Nations have led to frequent intervention in recent years by the government, which is anxious to make the voice of reason heard. In that agonizing and heartrending debate, the Republic of Haiti has constantly supported every initiative for peace that takes into account the legitimate aspirations of the Palestinian people for self-determination without alienating the right of the State of Israel to exist within secure, recognized, and internationally guaranteed borders.

That historical concern to ensure respect for the right of peoples to self-determination has also constantly guided the Haitian Government's interventions on behalf of the search for a negotiated solution to the conflict in the Western Sahara. And in the case of Belize and Puerto Rico, it explains our government's reiterated will to respect only the decisions of the Belizean and Puerto Rican peoples themselves as far as their right to self-determination is concerned.

In recent years, the Haitian Government has assigned prime importance to multilateral diplomacy, being convinced of the essential role of international and

regional organization in the forming of a legal framework reflecting the economic and social transformations that are shaking our world. Thus the problems of the North-South debate, along with its corollary, the establishment of a new international economic order, constitutes one of the Haitian Government's constant concerns and leads the latter to intervene on behalf of a new philosophy of international cooperation that will take into account the urgent aspirations of the Third World nations and, in particular, those of the least favored nations.

For that purpose, the Haitian Government has taken part in all Third World representations aimed at getting the new international law on development accepted. It has done so by participating in the constructive action of the Group of 77, the work of UNCTAD, and the work of all international agencies where the new philosophy of international cooperation and development is being worked out.

That participation in multilateral action has helped to widen the government's diplomatic audience and is reflected in the number of international treaties, conventions, and agreements to which the Republic of Haiti has now acceded. In this same connection, attention should also be drawn to the unprecedented successes of Haiti's candidacy to fill the post of deputy chairman in the Inter-American Women's Council.

In the OAS, Haiti's voice has always been raised to demand respect for the principles which govern the inter-American system and contribute to the peaceful development of the peoples of the region.

The Republic of Haiti's attachment to the principles of freedom and of respect for human rights has taken concrete form in the Haitian Government's signing and ratifying of certain international diplomatic instruments, including the Pact of San Jose in particular. This is indicative of the philosophy instituted by the government of the republic, a philosophy that bears witness to the vision of a society in which full respect for the economic, social, cultural, and political rights of all citizens without distinction as to race, sex, or religion is guaranteed.

Among the international diplomatic instruments signed or ratified over the past 10 years, the following in the cultural, scientific, commercial, and technical fields deserve mention:

1. The convention concerning the protection of the world's cultural and natural heritage.
2. The inter-American convention on human rights.
3. The agreement setting up the Latin American Economic System.
4. The agreement setting up the International Bauxite Association.
5. The international convention for the elimination and repression of apartheid.
6. The Vienna convention on consular relations.

7. The Vienna convention on diplomatic relations.
8. The protocol on revision of the Inter-American Reciprocal Assistance Treaty.
9. The international convention on the prevention of ocean pollution.
10. The convention for the repression of illicit acts directed against the safety of civil aviation.

United States

During the period from 1957 to 1982, the Government of the Republic of Haiti has strengthened dialogue with the United States for the purpose of improving relations between the two oldest republics in the Americas. Despite differences in analysis and perception, the two governments, on the basis of historical ties and the indispensable hemispheric solidarity, have instituted relations marked by mutual understanding and characterized by increasingly confident political and economic cooperation.

The result has been that parallel with the resumption of and increase in U.S. Government aid to Haiti, as illustrated by the multiplicity of technical and economic cooperation agreements signed in recent years between the two governments, U.S. private investments have been flowing steadily into the Haitian market. Haitian-American relations have thus entered a new phase in which there is a harmonization of the highly mutual interests of the two states and governments as regards both the continent's security and the need for increased cooperation as a means of dealing with assaults by opposing forces that threaten stability in this hemisphere.

Canada

As a result of Canada's participation in several of the Haitian Government's development projects in recent years, the existing relations between the two countries have taken a new turn.

The aid which the Canadian Government grants through CIDA [Canadian International Development Agency] constitutes a sizable contribution to the development objectives chosen by the Haitian Government.

The Canadian Government's desire to cooperate has been seen particularly in the execution of the integrated development project for the cities of Petit-Goave and Petit-Trou de Nippes, which receives the bulk of Canadian aid to Haiti.

Also to be noted is the aid granted by CIDA to the Haiti State University for rebuilding the structure housing the National Institute for Administration, Management, and Higher International Studies (INAGHEI) and for preparing that institution's new curriculum.

Moreover, in accordance with the technical cooperation agreement signed on 12 July 1973, Canada financed the training of the Haitian cadres who are to evaluate the projects selected by the two governments.

Caribbean

At the start of this 25-year period, the strengthening of diplomatic relations between Haiti and the Dominican Republic retained preeminence as the most certain indicator of the Haitian Government's choice of a Caribbean policy aimed at putting an end to the country's diplomatic isolation in the Caribbean Basin.

After the meeting between the Haitian and Dominican chiefs of state in Malpassee in 1959, equally significant were the steps that the Haitian Government, aware of the economic advantages at stake, took in May 1974 to have Haiti admitted to CARICOM, which had just been established and which comprised all of the English-speaking Caribbean. The continuation to this day of Haiti's candidacy to become a full member of that organization very clearly demonstrates the government's interest in horizontal cooperation and its conviction of the need to promote relations with the English-speaking bloc in the Caribbean, which is asserting itself more and more.

The signing by Haiti on 9 June 1972 of the special convention by Caribbean countries on the problem of the sea (the Declaration of Santo Domingo), its participation in the ECLA [Economic Commission for Latin America] conference held in Port of Spain in May 1975, and the support automatically given by the Haitian delegation to the proposal by the prime minister of Trinidad and Tobago for setting up a Caribbean group distinct from the South Americans illustrate once again the government's firm will to participate actively in everything affecting the interests and future of the Caribbean region.

That same spirit explains the Haitian Government's consistently favorable attitude toward the Caribbean Development and Cooperation Committee, as well as the constructive role it intends to play to give that institution a more concrete and practical content.

Jamaica

The close technical cooperation between Haiti and Jamaica that began in 1974 on a note of mutual respect and in the name of Caribbean solidarity has had happy effects on the bauxite industry in both countries.

As a result of the growing extent of trade between the two countries, a number of arrangements have been adopted, an example being the signing on 12 December 1978 of an agreement on air transport aimed at promoting a greater number of contacts between the two peoples and further encouraging Haitian-Jamaican trade on a rational and methodical basis.

Very recently, Port-au-Prince was visited by Jamaica's minister of foreign affairs and foreign trade, whose visit also made it possible to review the political and economic problems being faced by the Caribbean and the means of overcoming them.

Cuba

Haitian diplomacy, being very concerned to preserve solidarity and unity in the hemisphere, has always adopted a very conciliatory position toward Cuba

despite ideological differences. Time and the development of sociopolitical ideas in Latin America have merely reinforced that position.

The fact that the two countries are part of the same region and have a whole series of features or interests in common demands dialogue and rules out a total break.

In that connection, it should be emphasized that in 1975, the two governments undertook negotiations that resulted eventually in the signing of an agreement delimiting their respective maritime areas on 27 October 1977. The two countries are currently engaged in talks aimed at setting up a procedure for the repatriation of shipwrecked Haitians who are picked up in Cuba and vice versa.

Dominican Republic

During the decade just ended, the Haitian Government has worked untiringly to strengthen the climate of harmony, concord, and peace with our neighbors to the east, since such a climate is the only guarantee of socioeconomic development for both the states sharing sovereignty over the island.

Similarly, and for the purpose of putting a permanent end to past frictions and laying the foundations for cooperation that will serve as an example, the Haitian and Dominican presidents, Jean-Claude Duvalier and Antonio Guzman, met in Malpasse-Jimani on 31 May 1979 and, a few months later, inaugurated the international Pedernales diversion and distribution dam. In more than one respect, the historic summit meeting in Malpasse-Jimani marked the passage of the Haitian and Dominican peoples from the stage of simple peaceful coexistence and the start of an era of fruitful cooperation in dialogue and understanding. The Haitian-Dominican Joint Commission established by the basic cooperation agreement has met twice, and a trade agreement, an agreement on land transport, and an agreement establishing a line of credit between the two central banks to facilitate trade have been signed.

Other agreements will come into being in the not-too-distant future, notably in areas concerned with tourism, agriculture, the development of border areas, and the delimitation of maritime frontiers.

Latin America

Taking into account the international situation and the weight of the Latin American group in international relations, as well as the Republic of Haiti's membership in regional and subregional groups, the Haitian Government has undertaken a diplomatic redeployment aimed at restoring balance to the vertical and horizontal axes of its international relations by structuring its economic and political relations with the Third World countries and diversifying our partners in cooperation: Venezuela-Brazil, Colombia-Argentina, Chile, and Panama.

Relations with the Latin American countries have in fact developed in a positive manner, and cooperation agreements have been signed.

It is particularly important to note the conclusion on 31 January 1974 of a basic technical cooperation agreement between the Republic of Haiti and Venezuela following the restoration of diplomatic relations between the two countries in 1972.

Similarly, attention should be drawn to the signing of a scientific and technical cooperation agreement with Brazil in February 1972. The Governments of the Republic of Haiti and Argentina signed an agreement of the same type in 1980.

The Haitian Government has also signed two agreements with Colombia. One, signed on 17 January 1978, concerns the delimitation of maritime frontiers, and the other, signed in February 1979 during the visit to Bogota by the Haitian secretary of state for foreign affairs and worship, covers scientific and technical cooperation.

Haitian-Mexican relations have been strengthened and have even taken on a new dimension through the signing of the agreement under which Mexico supplies Haiti with 3,500 barrels of crude oil daily at preferential rates.

Arab-African World

The winning of independence by most of the African countries or, even better, their self-assertion on the international scene, the importance achieved by the Arab world since the oil crisis, and the proliferation of Arab institutions for bilateral and multilateral financing could not fail to influence the structure of Haitian foreign policy.

The result has been that over the past decade, the Haitian Government has also begun to open up in the direction of the Arab world, as reflected in the establishment of diplomatic relations with Libya and Iraq and the sending of goodwill missions to several Arab capitals.

The breakthrough in Africa, which occurred thanks to the establishment of diplomatic relations with more than 20 countries over the past few years (examples being Nigeria, Gabon, Ivory Coast, Guinea and, just recently, Niger, to mention only those few), reflects the new dimension in Haitian foreign policy. Of the chief events marking Haitian-African friendship, special notice should be taken of the official visits to Haiti over the past 10 years by the chiefs of state of four African countries: Liberia, Zambia, Senegal, and Guinea. During those visits, ties with a continent that is geographically very distant but culturally very close were strengthened.

A cultural and technical cooperation agreement was signed on 27 February 1977 between Haiti and Liberia, the two oldest black republics in the world.

An agreement of the same type was also concluded between Haiti and Senegal on 20 February 1976. That agreement led to the establishment just recently of the Institute of African Studies, which is to engage in study and research concerning African civilizations and thus contribute to the greatly desired rapprochement between the Haitian people and their brothers throughout Africa.

President Sekou Toure's presence in Haiti in September 1979 led to the signing of a cultural and technical cooperation agreement with the Revolutionary People's Republic of Guinea, which, like Haiti, is a member of the International Bauxite Association.

Asia

Aware of the Asian world's very important weight in the balance of international relations, the Haitian Government has made every effort to develop diplomatic relations with the following countries: the Philippines, nationalist China, Japan, South Korea, and Indonesia.

For that purpose, embassies have been established in the Far East and agreements have been signed.

It should be noted in particular that in 1980, the Republic of Haiti signed its first two cooperation agreements with Japan. Those agreements constitute manifest indications of an acceleration in the near future of the process of economic and technical cooperation between the Republic of Haiti and Japan.

The Haitian Government was very pleased with the visit by the minister of foreign affairs of the Republic of China in May 1980. During his visit, he signed an agreement on behalf of his government for the establishment of a pilot center for farm equipment.

It should be emphasized that in 1979, a trade agreement was signed between Haiti and South Korea for the purpose of intensifying relations between the peoples and governments of those two countries.

Israel

The Government of the Republic of Haiti has also taken steps to intensify the process of cooperation between Haiti and Israel. Relations between the Republic of Haiti and the State of Israel have been expanded thanks to the efforts made by the governments of the two countries to give concrete form to the friendly relations that so fortunately exist between the two peoples.

The progress made by the Israeli Government in the agricultural sphere has attracted considerable attention by the Haitian Government. An Israeli mission was sent to Haiti--specifically, to the Bas-Boen region--to help increase agricultural production.

Talks are underway between the governments of the two countries to step up that cooperation.

The Haitian Government is continually expressing its wish to see the two countries extend their cooperation to all areas in the very near future for the benefit of the Haitian and Israeli peoples.

More generally, the Republic of Haiti has been visited over the past 25 years by important figures, most of them chiefs of state, heads of government, or

leaders of international organizations who have a reputation among their contemporaries either for their stands on behalf of the Third World or for their attachment to the values of civilization from which Haiti takes its inspiration.

Among those eminent visitors were the following:

Ahmed Azikiwe of Nigeria (1965).

Emperor Haile Selassie of Ethiopia.

President Somoza of Nicaragua (1974).

Leopold Sedar Senghor of Senegal (1976).

Ahmed Sekou Toure of Guinea (1979).

Conclusion

International relations tend to be marked by the predominance of economic problems, which are expressed either through political or ideological confrontation or through violent confrontations of interests when control mechanisms fail. That is why a foreign policy, if it is to be dynamic, consistent, and credible, must find its foundations and its inspiration in the essential motivations of political power.

As an instrument of general policy, foreign policy is a projection and extension of national political action, through its historical development, on the international stage. Dependent on the fluctuations which run through international relations, a state's foreign policy is at the same time a vehicle for affecting the international relations that prevail in the world and affect the life of peoples.

From that standpoint, the foreign policy of our revolutionary government takes its inspiration from the need to promote within our community the conditions for actualizing national potentialities so as to achieve, in the various sectors of activity, a level of productivity whose benefits will be reflected in an acceleration of growth and the general improvement of living conditions for the Haitian population.

At the same time, the lines of force of a more flexible and more dynamic policy better adapted to the requirements of modern times and the needs of peace, harmony, and security in the contemporary world become clearer.

Our country's Third World calling, which is in keeping with our traditional aspirations for a balanced universe, remains intact today in our conception of fraternity. What could be more natural than for a small black country to achieve freedom in an international situation marked by ostracism of the big countries and to strive through the years to preserve unspotted the doctrinal line laid down by our ancestors! That ideal has inspired us while we have held out our hand, despite our precarious means, to other peoples desiring to free

themselves of colonial tutelage. It still inspires us today in the forums of culture and of the mind, to which we never fail to contribute the note of harmony and conciliation.

For that reason, Haiti's foreign policy is irreversibly committed to the path of "necessary complementarity" which characterizes the destiny of the world's nations.

By acting as a vehicle for the sense of moderation and balance, that foreign policy has been able to lift itself gradually to the level of the challenges present in the current international order without separating itself from the nation's vital historical interests. It is a daily increasing projection into the future, based on respect for differences and the essential solidarity of peoples, for attainment of the ideal of peace, security, cooperation, and universal well-being that is proclaimed by the Revolution in Power.

11798

CSO: 3219/10

SEAGA REQUESTS RESIGNATION OF NATIONAL COMMERCIAL BANK BOARD

Kingston THE DAILY GLEANER in English 27 Oct 82 pp 1, 14

[Text] MEMBERS OF THE BOARD of directors of the National Commercial Bank, save for the two ex-officio members, were asked yesterday by the Prime Minister to resign, in a dramatic development of what has come to be known as the Terra Nova Deal.

Board members, according to the Registrar of Companies file are Mr. Norman Bingham, the chairman; Messrs. Sam Mahfood, Gerry Grindley, Ronald Williams, Charles Sinclair, Mrs. Shelia Sheriff and the Hon. Carlton Alexander.

The two ex officio members of the board are Mr. Donald Banks, the managing Director of the bank, and Mrs. Augusta Payne, the deputy managing director. They were exempted from the request for resignation.

In answer to the Gleaner, the Prime Minister said last night that in some cases the resignations requested were pro forma, particularly that of the Hon. Carlton Alexander who he understands was out of the island during the Terra Nova proceedings.

A NEWS RELEASE from Jamaica House said Mr. Seaga had requested "the immediate resignation" of the Board members. "The Board does not any longer enjoy my confidence," the Prime Minister said.

From investigations conducted so far by the Attorney-General on the Prime Minister's instructions, "it was abundantly clear that the Board of the N.C.B. had acted without due regard to prudent and proper business and financial practices in relation to the purchase," the news release said.

MR. SEAGA'S STRICTURES were in relation to the recent purchase by the bank of the shares of Memphis Catering Ltd. as owners of Terra Nova Ltd.

Terra Nova, a leading Kingston hotel and restaurant, was bought from the original owners. West Indies & Caribbean Developments Ltd. for \$4 million, by Memphis Catering Company, a local group. It was then resold by Memphis Catering to National Commercial Bank for \$6.5 million.

In his letter to the directors requesting their resignation, the Prime Minister noted that although the Board was aware that the vendors were exercising

a recent option to purchase the shares of Terra Nova, it failed to ascertain the purchase price in that transaction.

"As a result, the Board agreed to the payment of \$6.5 million for a property which was only in the process of being purchased at that time for \$3.300.000 net of liabilities of \$942,730", the news release said.

There was also no request by the bank for a professional valuation of the Terra Nova property in respect of the transaction "until public queries concerning the transaction were made".

Mr. Seaga said in his letter that he had learned that a valuation done only in March, this year, showed a value of \$3.3 million. This has since been updated to \$4.1 million. Another valuation, has also been obtained showing a minimum of \$3.9 million and a maximum of \$4.17 million depending on the method used. These are to be compared with the purchase price of \$6.5 million.

The Prime Minister also stated that the Board of the bank had failed to adequately protect the funds of the Bank by approving substantial payments of \$4.432 million to the vendors without confirming whether the vendors had in fact completed the purchase and were therefore in a position to sell.

"Hence at this time, the Attorney General is advised by the Bank's legal officer that the Attorneys for the vendors have refused to state the completion date of the previous transaction. The Bank has therefore made substantial payments in respect of a purchase although the Bank is not aware whether the vendor was in a position to sell," the Prime Minister said.

MR. SEAGA went on the state that part of the transaction included making an advance on the purchase price through an unsecured interest-free loan of \$3.567 million to a recently-formed company which, as far as the Bank has advised, appears to have had only two \$1.00 shares issued and fully paid up.

The above particulars, Mr. Seaga stressed, are only illustrative of a range of matters indicating the extent to which the Board has been derelict in its duty. "This is separate and apart from questions dealing with the legality of the transaction which are not raised at this time as they may have to be resolved in other formus," he warned.

"This issue has become the subject of public controversy in which the Board has taken a public position before all the factors necessary for a proper assessment were within the knowledge of the Board", the Prime Minister said.

"This must place the Board in an awkward position where objectivity may be difficult and certainly one in which confidence in its objectivity will be inevitably weakened."

"In these circumstances the Board does not any longer enjoy my confidence", the Prime Minister said, in asking the members to resign immediately without conducting any further business of the Board.

The Gleaner understands that the purpose of the request to the Board members to resign is to make way for the appointment of new members who, by not having had anything to do with the Terra Nova negotiations, would be expected to be more objective in dealing with the matter.

In a letter of the Gleaner published on October 14, Mr. Bingham, the chairman of the board, described the Terra Nova deal as "a straightforward business transaction." This was a follow-up to another letter from the bank, unsigned and undated, in which it was claimed that the bank made the correct decision in purchasing the hotel.

Mr. Bingham confirmed in his letter that the bank had paid J\$6.5-million for the hotel but that a "conservative estimate" put the worth of the hotel at J\$7.64-million.

A joint statement was also sent to the Gleaner by Messrs. M.N. Matalon, Pat Rousseau and Peter Rousseau., as shareholders of the Memphis Catering Company Limited, though records at the Registrar of Companies list the shareholders as Peter Rousseau and Paul Rousseau.

They claimed that the value of the property is nearer J\$8,100,000 the estimate, they said, of "a leading valuator."

Efforts to reach Mr. Bingham for a comment yesterday proved futile. The Gleaner was told that he is out of the island.

CSO: 3298/091

INDONESIAN MISSION VISITS TO DISCUSS RURAL DEVELOPMENT

Kingston THE DAILY GLEANER in English 28 Oct 82 p 9

[Text]

A seven-member mission from the Indonesian Economic Development Agency which arrived in the island on October 20 had discussions on techniques and policies of investment promotion with special reference to development in the rural areas with the Jamaica National Export Corporation (JNEC).

The mission which arrived from Puerto Rico was headed by Mr. Mohammad Anwar Ibrahim, the Deputy Chairman of Planning and Consul in the Indonesian Investment Co-ordination Board.

The mission was in the island as part of a tour of several Caribbean countries sponsored by the United Nations Industrial Development Organization.

On Thursday, the team met with the Executive Director of JNEC, Mr. Peter King, at the JNEC's office on Waterloo Road, St. Andrew. At the meeting, Mr. King called for an improvement in the balance of trade between Jamaica and Indonesia.

Mr. King told the mission that Jamaica, in recent years, had imported wrapped tobacco, rubber products and raw mate-

rials for handicraft, such as rattan for wicker, from Indonesia, but had exported virtually nothing to that Southeast Asian nation.

'Imbalance'

"What I considered to be of major importance is how we capitalise on the fact that there is a severe imbalance of trade between you and us, to put it simply, you are making more money out of us than we're making out of you," Mr. King said.

He told the mission that there are a number of strategic areas that "we could pursue," adding "you have a burgeoning and large tourist industry and the products that we sell, notably cigars, Jamaican rum, well known liquors, such as Tia Maria, if we could get these in your inbound trade, it could be the beginning of an improved relationship between us."

The mission also visited the JNEC's computer technology centre and library, and promised to participate in an exchange of information.

The members left the island Saturday for the Eastern Caribbean.

POLICEMEN UNHAPPY WITH COMMISSIONER, COMPLAIN TO GOVERNMENT

Kingston THE DAILY GLEANER in English 28 Oct 82 pp 1, 15

[Text]

The Select Committee of the Island Special Constabulary Force, which represents the over 2,000 rank and file members of that body, are unhappy with the Commissioner of Police, Mr. Joe Williams, and have complained to the Prime Minister and the Minister of National Security.

Charging that Mr. Williams was "aggressive, arrogant and treated us like little boys," a committee spokesman told the Gleaner that they would not be prepared to meet with the Commissioner again until he changed his attitude.

Telegrams went from the committee this week to the Prime Minister, the Hon. Edward Seaga, and the Minister of Security, the Hon. Winston Spaulding, aimed at getting both Ministers to try and bring about an improvement in the state of relationship between the Commissioner and the committee.

The rank and file of the Special Constabulary Force is said to be "restive" over the situation. An emergency meeting last week with off-duty 'Specials' had mandated the Select Committee to seek Mr. Seaga and Mr. Spaulding's intervention, the spokesman said.

Asked by the Gleaner about the allegation of the Select Committee, Mr. Williams declined to comment.

According to a spokesman for the Select Committee, the relationship between the committee and Mr. Williams soured on Thursday, October 14, at an emergency meeting between them, called to discuss matters affecting the welfare of the rank and file members of the I.S.C.F.

A similar meeting in September, between Mr. Williams and the committee "went well and was very cordial," the spokesman said.

THE THURSDAY MEETING started out well but ran into problems when the second item on the agenda

was being discussed. The item had to do with a Special Constable who was arrested earlier this month, for shooting with intent, following an incident on October 12 last in a bus which was travelling along Half Way Tree Road.

A gun was drawn and discharged during the incident. No one was shot.

The spokesman said that the Select Committee felt that statements should have been collected in the matter, as "in similar situations," and submitted to the Director of Public Prosecutions rather than the Special being arrested although investigations were done.

Mr. Williams, the spokesman said, reacted vehemently to this and loudly differed with the Committee. The secretary of the committee Sergeant S. C. Maynard, was "harshly handled" it was said.

Because of the manner in which the Committee was treated, they summoned a meeting of the rank and file for the following Wednesday.

As is required, they communicated this to Mr. Williams who, the spokesman said, replied that the meeting should be postponed because he (Mr. Williams) wanted to attend.

The spokesman said the Committee decided to go ahead with the meeting and Mr. Williams subsequently "ordered" them not to.

The Committee sought legal advice and decided to implement its constitutional right and hold the meeting which they limited to off-duty men only.

The meeting was upset about the treatment meted out to them not only by the Commissioner but also by some officers of J.S.C.F. It mandated the Committee to seek the intervention of Mr. Seaga and Mr. Spaulding, which was done, the spokesman said.

Mr. Williams' behaviour was the worst that they had experienced from any Commissioner in the Committee's 11-year existence, the spokesman said.

CSO: 3298/091

GOVERNMENT TELLS NATIONAL UNION TO SCALE DOWN WAGE DEMANDS

Kingston THE DAILY GLEANER in English 25 Oct 82 p 1

[Text]

The government has asked the National Workers Union (N.W.U.) to take a "more realistic approach" to a wage and fringe benefit claim which would cost the government over \$800 million if it were to be accepted.

In a letter to the island supervisor of the N.W.U. Mr. J. A. G. Myers, requesting the union to reconsider its claim for workers in central and local government and statutory bodies, the Minister of Labour, Hon. J.A.G. Smith pointed to the low rise of the cost of living since November 1980, and to the fact that massive increases in government revenue through unbearable taxes or a dramatic reduction in the number of government employees would be necessary if the claims made by the N.W.U. were to be granted by government.

The N.W.U. is seeking a two year wage and fringe benefit package which it wants to become effective on April 1, 1983. The package calls for, among other things, a minimum \$95 a week increase for workers based on a 400 per cent cost of living movement between 1973 and 1980.

Mr. Smith pointed out in his letter that during the 1973 to 1980 period "no percentage increase approaching 400 per cent was ever granted by the previous administration. "The Minister of Labour further noted that between November 1980 and August of this year cost of living had risen by 11.3 per cent compared to the 400 per cent on which the wage claim is based.

If the increase being sought by the N.W.U. were to be granted government would have to find \$325 million over the two years of the contract for the central civil service alone, and perhaps as much for workers in Local Government and Statutory Bodies.

CSO: 3298/091

SEAGA ANNOUNCES EXPORT INCENTIVES TO BOOST ECONOMY

Kingston THE DAILY GLEANER in English 25 Oct 82 pp 1, 17

[Text]

A "FAR-REACHING new export incentive programme" aimed at satisfying some of the needs of "this important sector" of the national economy is being initiated by the government, Prime Minister, the Rt. Hon. Edward Seaga, said on Saturday night.

Mr. Seaga did not say what form the programme would take and how it would be operated, but said he would be making a major announcement on it in Parliament on Tuesday, November 2, when he will give another yearly review of the economy.

The Prime Minister was addressing the 30th anniversary banquet of the Jamaica Industrial Development Corporation at the Jamaica Pegasus Hotel, New Kingston, where he also took the opportunity to defend his government's structural adjustment policy.

He announced also that Jamaica had been invited to start negotiations with the World Bank for a second structural adjustment loan because the Bank was pleased with the progress made.

The Prime Minister said that the special responsibility in the structural adjustment of the Jamaican economy was transforming it from largely a domestic productive sector, to one that produced for exports. He added that the basic objective was to gear the manufacturing sector for export to be a net earner of foreign exchange.

THE PROCESS OF STRUCTURAL ADJUSTMENT, the Prime Minister said, embodied de-regulation, marketing and incentives, and the programme was being carried out on a very methodical and systematic basis.

Policies, Mr. Seaga said, were put in place to ensure increased competition, ensure markets and provide incentives and added to all these, the strategy of de-regulation was devised to remove the restrictions on certain consumer items.

"Many will question the reasonableness of this strategy," he said, but it was the "right way to begin."

He said: "we have reached the stage where we require the manufacturing sector and the other productive sectors to earn more foreign exchange, we are therefore undertaking to do what seemed to be illogical remove on a gradual basis price controls."

Asking what had been result of this policy, the Prime Minister said, "not a jump in prices," for in 1981, the cost of living index rose 1.7 per cent and this year it will be no more than 6.7 percent with Jamaica among the few countries in the world that brought inflation down to the position of single digit inflation.

The competition, he asserted, had sharpened the productivity of the manufacturing sector.

He said that the first attempt of removing prices from control was easy since none of them was locally produced but, he warned, to prepare for the continuous process of de-regulation, a programme had been established to investigate every commodity produced by the manufacturing sector to determine if its price was competitive to other markets.

To be studied and analysed are the factors that make commodities not competitive, what protection the commodity would require if it is to be de-regulated, what duty to put on it to bring it nearer to the local product thereby not killing the local product, and where the prices are found to be competitive to look at the possibilities of developing markets, since the intention is not simply to remove the regulations and allow cheaper items to come in.

MR. SEAGA said that 256 of the 374 items to be investigated had been investigated and 38.7 percent of the 256 have prices that are below the level of international prices, 23.6 percent have prices equal or exceeding international prices up to 30 percent and 37.6 percent are considered to be uncompetitive, having exceeded international prices by 35 percent.

The fears that the local manufacturing sector could not stand competition were not justified, the Prime Minister said, adding that two-thirds of the items investigated were already competitive marginally while one-third face a need for further adjustment to allow them to be competitive.

He said that phase two of the programme is to carry out a search in overseas markets for goods that are competitive, and this will mainly be involved in six areas, among them garments, footwear and leather products and furniture manufacturing.

The programme of structural adjustment is financed by the World Bank, the Prime Minister said, and the recent assessment made by the Bank had shown substantial improvement on Jamaica's part, and that "we have been invited to start negotiations for a second struc-

tural adjustment loan because the Bank is pleased with the progress made."

Jamaica, the Prime Minister said, was sheltered from the adjustment taking place in the world, which is facing unprecedented levels of unemployment, inflation, depressive levels in the market place, "all of which we are not facing here."

The adjustment "we are undertaking, is an adjustment to put our economy in shape for competition; the adjustment the rest of the world is going through crises out of excesses of the past, and they are today shaking those excesses out of their system. We are shaking out of our system some of the protectiveness that did not allow us to compete," the Prime Minister said.

"We are walking between the rain drops, we have not felt the rain," Mr. Seaga declared, adding "after seven years of belt tightening, sacrifice, fears, anxiety, looking for routes of escape, lack of confidence, not having the feeling of belonging, this country could not take any more of the rain that storm. We have successfully guided this country so we can walk between the rain drops; storm clouds are abroad, we have managed to keep them away."

FOCUSSING ON THE JIDC, the Prime Minister said when it was established in 1952 it had a broad perspective of (a) attracting new investment and (b) servicing existing industries. The basis of these new functions was the enactment of new legislation for incentives and motivating purposes. The JIDC, he said, had done what it was established to do with success over the years.

It had succeed in carrying out its responsibilities so efficiently that it became a prototype of similar organizations created throughout the Caribbean and many other countries.

He paid tribute to the staff of the JIDC and singling out the Hon. Robert Lightbourne who was the guiding light behind the JIDC. Mr. Seaga said he had set the tone for its success.

However, he said, the pattern of the JIDC was broken in the 1970s for one of its main functions of starting new industries disappeared and the emphasis was on servicing existing industries.

The Prime Minister expressed the hope that in the future the JIDC will show some of its earlier objectives, adding that in the 1980s the development of the JIDC had to be changed as the demands were different.

TRADE BOARD TO BE REORGANIZED, IMPORTERS REGAIN LICENSES

Vaz Announcement

Kingston THE DAILY GLEANER in English 22 Oct 82 pp 1, 18

[Text]

ARE-STRUCTURING of the Trade Administrator's Department is to take place shortly, to bring about an "efficient and effective operation" which is "a pre-requisite to the success of Jamaica's economic recovery".

This was said yesterday by the Minister of Industry and Commerce, the Hon. Douglas Vaz, in a statement which he issued against the background of recent developments in the Department.

Because this action is being taken, the Minister said, a special task force has worked on the re-validation of import licences for motor vehicles and consumer goods which have already arrived in the island.

These re-validated licences are being returned to importers from today, Mr. Vaz said.

FOLLOWING IS the text of the Minister's statement:

"Following persistent complaints by the public concerning the Trade Administrator's Department, a number of investigations were ordered by me prior to leaving the island in September.

"A number of corrective actions were initiated and in view of the delicate nature of these investigations, I decided to preempt the outcome of those investigations by any public statement at that time.

"In the interim, three officers have been removed from service in the Department, and there has been public discussion on the matter, including the Jamaica Civil Service Association and the Jamaica Chamber of Commerce, as well as widespread public dissatisfaction with

the continuing inefficiency of the Department and a rightful demand that this be corrected.

"With the knowledge that the Department was an embarrassment to the Ministry, the Government and myself as Minister, early in 1982 I commissioned a World Bank Consultant to undertake a complete study and analysis of the operations of the Trade Administrator's Department, and to submit recommendations for its improvement.

"Simultaneously, the Ministry of Industry and Commerce undertook an in-house review. Both studies have been completed, compared and analysed.

"Both studies conclude that this national sore point cannot (and will not) be allowed to continue operating in its present way, and that drastic and immediate action must be taken to restructure the system of Trade Administration, the efficient and effective operation of which is a pre-requisite to the success of Jamaica's economic recovery.

"Details of this re-structuring will be announced shortly.

"To ensure the minimum of dislocation in this trying period of revalidation of licences for motor vehicles and consumer goods, a special task force was established by me and has worked through this week instructed to give immediate priority to revalidating licences for goods which have arrived in Jamaica, and for which there had been a valid and bona-fide licence issued to the importer within the policy guidelines given to the Ministry of Industry and Commerce.

The return of these revalidated licences to importers will begin on Friday and the importing public is asked to exercise patience and understanding for any inconvenience suffered in this most vitally necessary and important exercise.

Auto Dealers' Crisis

Kingston THE DAILY GLEANER in English 23 Oct 82 pp 1, 15

[Excerpt] THE LOCAL AUTOMOBILE import industry is approaching a crisis situation of total collapse, and large-scale closure by dealers here is imminent unless the system of issuing import licences is improved, according to the Automobile Dealers Association.

Speaking at a press conference at the Terra Nova Hotel in Kingston yesterday, Mr. Roy DeSouza, of the Kingston Industrial Garage and chairman of the Association, said that the Association feels there is something drastically wrong with the current system of granting import licences to dealers.

"We have totally rejected this high-handed attitude in refusing to grant licences at the Trade Board for the majority of our members," Mr. DeSouza declared, adding that the majority of the Association's members have got few licences for the year while few persons continue to get licences in "incalculable numbers".

Between January and September this year, 17 of the Association's 21 members received licences to import 1377 units out of a total of 4286 applied for. The Association's estimate of the number of units imported for the same period is 8,000--a difference of 6,623.

Mr. DeSouza agreed that such a disparity in the numbers of licences issued to dealers and the number of cars which actually came into the country would suggest some "collusion" on the parts of persons unknown either inside of, or close to, the Trade Administrator's Department.

Mr. DeSouza said the recent recall of licences already issued by the Department for "inspection and revalidation" had only compounded the problems of the automobile dealers.

CSO: 3298/090

SEAGA DEFENDS IMPORTS POLICY, URGES BUYING OF LOCAL GOODS

Kingston THE DAILY GLEANER in English 21 Oct 82 pp 1, 13

[Text]

DEFENDING THE GOVERNMENT'S imports policy, Prime Minister Edward Seaga yesterday evening challenged distributors to buy local farm produce for sale to the export market, particularly in those areas where Jamaicans were now residing.

Launching the Agricultural Credit Bank at the auditorium of the Bank of Jamaica, Mr. Seaga disclosed that he would be meeting with major distributors this morning to discuss their involvement in the new drive which would help to solve the problem of markets being experienced by local farmers. He pointed to increase in export crops this year, linking this to "large numbers of Jamaicans" resident in places like the United States of America and Canada.

Mr. Seaga threw out his new approach as he mentioned financial assistance in the region of \$300-million to the agricultural sector in the area of credits and new projects, some of which are already being implemented.

Pointing to Government action in putting in the resources for the development of Agriculture, especially in the area of credit, Mr. Seaga made his defence of the import policy "this period of adjustment" in the agricultural sector.

The foundation, he said, was being laid for a better future.

NOBODY COULD forget what had happened in the years when certain food imports, like tinned food, could not be obtained, Mr. Seaga said, as he mentioned the "screaming and crying at home" and the problems of the housewives in providing food for their homes.

These were also the problems of demoralisation of the country and the deprivation of levels of nutrition which resulted. Banning of these imports therefore could not be the answer, Mr. Seaga said. It was the answer only for "anybody bankrupt of ideas", who wanted "to hark back to those days."

Another suggestion being made was that the Government should subsidise the small farmers. Subsidies, however, would not stretch sufficiently to be meaningful, he said.

Supporting the suggestion of getting the farmers to grow more, Mr. Seaga said increased growth however should not be targeted for the local market but for exports. The local market would only help to depress prices lower and keep farmers' income low.

CALLING on the distributors to play a critical role in the new export-led drive by buying farmers' produce, Mr. Seaga spoke of "years of golden opportunity being missed."

He referred to instances where trucks carried the tinned goods and cereals of the distributors to the rural areas, yet returned to Kingston empty while the farmers' produce was left behind.

Mr. Seaga then disclosed that he would be meeting with major distributors this morning to discuss the matter.

Mr. Seaga also announced an Inter-American Development Bank crop zoning system was being prepared along with a climatic plan.

These two plans should open further

opportunities, as the farmer would soon know additional new crops which could be grown. A new range of crops should result, he said.

These would be supported by the new credit arrangements being pursued by the Government.

THE AGRICULTURAL CREDIT BANK accounted for \$47 million of the credit, of which \$15-million was for loan to small farmers through the People's Co-operative Banks, while the rest was for the financing of projects for middle and large farmers through commercial banks.

He hailed the upgrading of the P.C. banks which would be brought up to 40 by next January, pointing out that the Agricultural Credit Bank would not be lending directly to farmers.

Other projects to be implemented include \$5-million to be funded by the International Fund for Agricultural Development and by the I.D.B. for farmers in the watershed areas of Rio Grande Valley, the Pinders River Valley, Trinityville and Anchovy watershed. This project will begin in April, and benefit 4,500 small farmers.

There were also a \$14.7-million project for agro-industrial development being worked on, as well as an \$80 million Blue Mountain coffee expansion project which would complement the \$28-million Blue Mountain Coffee programme already in operation.

This would result in 6,500 acres being under coffee cultivation.

Mr. Seaga also mentioned the \$30-million banana re-structuring exercise and the additional \$45 million which would be available for investment projects in Agriculture under the Caribbean Basin Initiative.

MANUFACTURERS ASSOCIATION SCORES GOVERNMENT ECONOMIC POLICY

Kingston THE DAILY GLEANER in English 21 Oct 82 p 1

[Text] "THIS GOVERNMENT MUST appreciate that the small and medium manufacturers see structural adjustment as a plan, whether intentionally or unintentionally, to put them out of business so that a few large companies can inherit the spoils". Mr. Paul Thomas, a deputy president of the Jamaica Manufacturers Association, said yesterday.

Speaking at the monthly meeting of the JMA Board of Directors Mr. Thomas said that the structural adjustment economic programme was not performing.

Despite lip service in support of structural adjustment from the private-sector leaders, there was no real acceptance or broad support for the programme by the majority of manufacturers.

Mr. Thomas said the political directors seem to have forgotten the fact that the majority in the Jamaican private productive sector was small-to-medium manufacturers.

"STARVED OF ADEQUATE raw materials for many years, they are restricted in working and investment capital. Regrettably, the Government has, however, closed down all the avenues of venture capital funding for the small businessman while saying to him: 'Expand, upgrade quality, reduce prices and export, because foreign imports are coming to reduce the cost of living.'"

In such a situation Mr. Thomas said, the larger better-financed companies would displace the smaller entrepreneurs who had in the past, and must in future, be the backbone of employment creation in the country.

Mr. Thomas said it was essential to the national well-being that all leadership forces of the country be guided by "clarity of purpose and an accepted standard of morality", in determining day-to-day action.

The J.M.A. official said there was a new image of 'Mr. Success' which was rapidly capturing the hopes and aspirations of the people--"A 'Mr. Quick Profit' who buys and sells anything from agrarian sensemelia to super tampon at inflated prices to a public starved for consumer goods."

Mr. Thomas urged the Government, trade unions, the churches and the private sector to meet to reconvene in a mixed commission, and to develop "a national consensus, a national unity of purpose, will and courage to tackle the challenges of the future".

INDUSTRIAL DISPUTES TRIBUNAL ORDERS DOCKERS BACK TO WORK

Kingston THE SUNDAY GLEANER in English 31 Oct 82 p 1

[Text] An emergency meeting of the Industrial Disputes Tribunal Friday afternoon ordered hourly-paid workers at Port Bustamante to return to work by 2 p.m. tomorrow.

A special division of the tribunal is to begin hearings tomorrow on the dispute which led to the workers going on strike on Thursday, October 28, over differences in pay increases between themselves and supervisors.

Soldiers of the Jamaica Defence Force have been manning the port. Fears have been expressed by spokesmen for the port that a prolonged strike could further damage the port's reputation, causing it to permanently lose trans-shipment business to Puerto Rico and Miami.

The dispute was referred to the Industrial Disputes Tribunal by the Ministry of Labour and Employment after the fourth conciliation meeting under the Ministry's Industrial Relations Director, Mr. Anthony Irons, failed yesterday morning to find a solution. Several unilateral meetings also experienced a similar fate.

The unions, the Bustamante Industrial Trade Union (B.I.T.U.), the National Workers Union (N.W.U.) and the Trades Union Congress (T.U.C.), were not present at the tribunal's meeting in the afternoon which ordered the work resumption. Mr. K.K. Walters chaired the meeting.

Deputy Prime Minister, the Rt. Hon. Hugh Shearer and the Minister of Public Utilities and Transport, the Hon. Pearnel Charles met from Friday midday until late evening with representatives of the unions and the Shipping Association.

The shippers had discussions among themselves yesterday but there was no immediate indication of any new developments.

CSO: 3298/090

BRIEFS

IMF LOAN--KINGSTON, Thurs; (Cana); JAMAICA has received a \$42 million loan from the International Monetary Fund (IMF) under the IMF's compensatory financing facility to meet shortfalls in export earnings, Bank of Jamaica (BOJ) acting governor, Owen Jefferson, confirmed today. The IMF, in an August 26 announcement, has said that Jamaica's "purchase" of the 19.4 million Special Drawing Rights (SDR) was to make up for a shortfall in aggregate earnings from merchandise exports and tourism during the 12-month period ending in March 1982. Said the IMF: "During this period, although earnings from tourism increased sharply, Jamaica's export earnings levelled off, owing to a significant drop in export volumes of bauxite and alumina which account for three quarters of the value of the country's exports. The drop in export volumes of these raw materials reflected the considerable weakening in the market for aluminium associated with recessionary conditions in the world economy." This compensatory financing was additional to \$96 million that Jamaica received from the fund under the same facility in April 1981, at a time when the island also signed a \$700 million three-year extended fund facility with the IMF, Jefferson confirmed. There had been no previous announcement here of the compensatory financing for Jamaica, but Jefferson told Cana that the BOJ was constantly transacting with the IMF "working quietly and unobtrusively." [Port-of-Spain TRINIDAD GUARDIAN in English 8 Oct 82 p 7]

PNP ON FOOD PLAN--The People's National Party has called on the Government to establish a more careful balance between the need to ensure adequate availability of imported basic foods while encouraging domestic food production. The Party was reacting to the announcement of a 19.2% reduction in domestic food production made by the Minister of Agriculture Dr. Percival Broderick, at the World Food Day junction at the National Arena on Saturday. A statement issued by Dr. D. K. Duncan, Secretary of the Party, said the main reason for the decline was the 45 per cent increase in food importation in 1981 and the 17 per cent increase for the first four months of 1982 compared to the same period last year. [Kingston THE DAILY GLEANER in English 20 Oct 82 p 2]

BY-ELECTIONS SCHEDULE--A THIRD parochial by-election is to be held on November 11. The Gleaner had reported on Monday that two by-elections, for parochial divisions in the Trelawny Parish Council--Warsop and Rio Bueno divisions--are to be held on November 11, with Nomination Day being October 25. Yesterday, the Minister of Local Government, the Hon. Alva Ross, in a statement to the House of Representative formally announcing the dates of the by-elections,

said that a third such election will be held on the same date for the seat of Pembroke Hall (Division No. 14) in St. Mary. The Pembroke Hall seat became vacant with the resignation of J.L.P. Councillor, Mr. Dudley Champagne. The Warsop seat became vacant after J.L.P. Councillor and Deputy Mayor, Mr. Aston Gordon, died from a heart attack on September 10. The Rio Bueno seat was made vacant with the death of J.L.P. Councillor, Mr. Percival Lawrence, who was found dead on his farm in July. Nomination Day for all three by-elections is October 25. [Kingston THE DAILY GLEANER in English 21 Oct 82 p 1]

SWEDISH RESEARCH AID--Detailed discussions on research projects being carried out by Jamaica with Swedish Government assistance, are to be held between a five-man delegation from Sweden and representatives of the National Planning Agency and the Petroleum Corporation of Jamaica, tomorrow and Friday. The Swedish delegation is expected to arrive today. It will be headed by Mr. Ingvar Karlen. Director of the Swedish Commission for Technical Co-operation. According to a JIS release, the talks to be held, will centre on "projects with which the Swedish Government is assisting Jamaica in the area of research." They include the Blue Mountain Multi-purpose Scheme; forestry in wood grading and testing; the peat project; and the ocean-thermal energy conversion study. The research programmes are being carried out in association with the Petroleum Corporation of Jamaica. The utilisation of a 10-million Swedish Kroner (J\$2.8 million) line of credit to Jamaica will also be discussed. Other members of the delegation will be the Havana-based Swedish Ambassador to Jamaica. Mr. Anders Sandstrom; Executive Officer in the Commission of Technical Corporation; Mr. Peter Horm; the First Secretary in the Swedish Embassy in Havana, Mr. Sven Nylander and Ms. Gunilla Olofsson of the Swedish Ministry for Foreign Affairs. [Kingston THE DAILY GLEANER in English 27 Oct 82 p 14]

WESTERN DEVELOPMENT--Western Jamaica has seventeen Jamaica National Investment Promotions' (JNIP) projects which has a total capital outlay of \$28-million, Prime Minister Edward Seaga said Friday. This did not include the media centre which has a \$54-million capital outlay. Mr. Seaga was addressing business and civic leaders at a JNIP hosted luncheon at Richmond Hill Hotel in Montego Bay. He said that JNIP would shortly be celebrating their 100th investment project. Of these projects, St. James had ten, not including the media centre. With the addition of projects in Hanover and Trelawny this brought the total to fourteen. Three more were being finalized giving a total of seventeen to western Jamaica. Projects to be developed included 1,000 low income houses to begin soon; a \$2.2-million investment for the manufacture of polypropylene bags and synthetic jute bags for use in the agricultural industry and a synthetics marble and sanitary ware production facility. [Kingston THE DAILY GLEANER in English 1 Nov 82 p 1]

CSO: 3298/092

LOPEZ PORTILLO CRITICIZES PRIVATE ENTERPRISE

PA170059 Madrid EFE in Spanish 1823 GMT 16 Nov 82

[By Antonio Ortega]

[Text] Mexico City, 16 Nov (EFE)--Mexican President Jose Lopez Portillo today harshly criticized the economic groups that are putting their interests above those of the country.

Without directly mentioning them, President Lopez Portillo referred to the members of private enterprise who in the past 2 and 1/2 months have been criticizing his government, mainly for having nationalized the banks.

Lopez Portillo said that "the loudly proclaimed dogmas of the businessmen's associations, heard often during the present crisis, confuse sovereignty with arrogance and forget that the state has the final word in the solution of conflicts."

He said that the associations formed by businessmen are assuming the people's representation and want to participate in political decisions "without respecting political institutions."

Private enterprise has held several meetings called "Mexico in freedom," in which they have expressed their disagreement with the economic policy implemented by the president in recent months.

Businessmen felt that with the nationalization of the banks and the establishment of a general control over exchange, which were decreed by Lopez Portillo, Mexico was heading toward socialism.

Lopez Portillo, who will step down from the presidency on 1 December when President-elect Miguel de la Madrid takes over, has been repeating in the past 15 days that the nationalization of the banks was an act of sovereignty.

Lopez Portillo today said that those who are confusing "arrogance with sovereignty" should think again, because the Mexican people "long ago rejected any type of fascist cooperativism" and decided to live in democracy.

He added that Mexico is a country that must maintain its national unity, the result of "pluralist contradictions, not of sterile, impoverishing unanimity."

President Jose Lopez Portillo began his presidential term in 1976 with the full support of private enterprise, support he had for 5 years but which has almost completely disappeared in the past 80 days.

CSO: 3248/249

ELECTORAL TRIBUNAL RECOGNIZES POPULAR NATIONALIST PARTY

PA181518 Panama City STAR & HERALD in English 18 Nov 82 pp 1, A-16

[Text] The National Electoral Tribunal yesterday formally recognized the Partido Nasionalista Popular [Popular Nationalist Party—PNP] as an official official political party of Panama.

In a ceremony held at the tribunal headquarters, Chief Magistrate Cesar A. Quintero turned over to youthful political leader Olimpo Saez, head of the PNP, the required documents, in the presence of party members and representatives of several parties opposed to the government.

Also present at the ceremony were Tribunal Magistrates Rolando Murgas T., Yolanda Pulice de Rodriguez and Tribunal Secretary General Everardo Tomlinson.

In addition to formal recognition of the party, the government resolution included recognition of Saez as president and legal representative, Roberto Arosemena Jaen as authorized secretary-general of the fledging political party, and the charter as approved by the party's national convention September 11, 1982.

Saez, a law student at the University of Panama, was visibly filled with emotion upon receiving the document.

"With the delivery of these credentials, there is born in this country a different hope for national revindication, popular revindication," Saez said.

He then acknowledged that he was able to register his party--a minimum of 30,000 members for government recognition--only after an all-out effort by university students, with some aid from professionals and the ordinary man in the street.

CSO: 3200/13

APPROVAL OF U.S. POSITION AT OAS ASSEMBLY

PA210506 Panama City LA PRENSA in Spanish 19 Nov 82 p 1

["As of Today" column]

[Text] The U.S. Government made a timely decision when it announced at the 12th OAS General Assembly its willingness to begin a new dialogue in order to overcome the problems that have accumulated in connection with continental relations. It is high time for President Reagan to show that the United States is interested in Latin American problems. The economic crisis, the Central American problems, indebtedness, inflation, international trade terms, political tensions and the arms race demand effective solutions. This reality must be reflected in the new dialogue, in which the United States must decide whether it will continue to justify, to arm and to finance military regimes that have become veritable occupation armies in their respective countries, or whether it will choose to encourage democracy as the only formula for effective cooperation between peoples and governments in economic and social development tasks. Otherwise, the entire hemisphere will very soon be subjected to leftist and rightist tyrannies--equally repressive, inefficient and corrupt--that will end up dragging the hemisphere into a gigantic, absurd, irresponsible and fratricidal war. Now is the time to show that democracy is feasible in our America, not only because of its inherent merits as a form of government, but also because of its capacity to guarantee peace. The germ of war finds its natural culture medium among the regimes of force. In Panama's case, the opportunity is suitable for structuring the necessary institutions so that, as in Honduras, Peru and Ecuador, the people's will can become identified with that of their rulers in the unpostponable tasks and responsibilities of trying to solve the extremely serious problems created during nearly 15 years of military dictatorship.

PAPER EXAMINES OAS SPEECH BY SECRETARY SHULTZ

PA201945 Panama City MATUTINO in Spanish 19 Nov 82 p 10-A

[Editorial: Words Versus Fact"]

[Text] The continent is witnessing a hail of speeches at the OAS sessions, by which each of the OAS heads of mission is trying to explain his particular version of the hemispheric reality and to convince his audience of the truthfulness and advisability of his particular viewpoint. Last Wednesday, it was U.S. Secretary of State George Shultz' turn. His speech had all of the attributes of a profound layman's sermon, although it seems to have been delivered as an offering to a thundering God, with a grim look and a sword at his waist.

The high-ranking U.S. official advocates the reciprocal and thoroughly confirmed withdrawal of all foreign military advisers currently operating in Central America, as well as an agreement among the region's countries to abstain from acquiring additional offensive weapons.

This remark, which sounds like the introductory melody to a peace hymn, suddenly changes in both rhythm and key to a claim that peace cannot be achieved in the area unless the use of force is confronted and that peace is impossible without security.

This statement might still be interpreted as part of an effort to show that, on behalf of peace, we must gradually reduce our countries' war supplies, while protecting the balance in this process of disarmament so that no opponent can unexpectedly catch us unprotected.

However, this is not the case. The truth is that when Mr Shultz states that "the turbulence in Central America has been exploited from abroad," he is apparently forgetting a few things. First, that the term "to exploit" presupposes profitable activity, and that this activity really takes place in the barbaric arms trade. Second, that the only one that can exploit--that is, that can run such a business to its advantage--is the one that has enough weapons to carry out such activity, especially if it manufactures these weapons in large numbers. Finally, that the United States is one of the big arms manufacturers.

Without the slightest doubt, the responsibility for intensifying the armed action in Central America lies with the large communist countries, among which, the first, Russia, has taken great advantage of its satellite, Cuba. However, it is also true that if the issue were to be examined closely, the United States would not come out wearing Archangel Saint Gabriel's robes.

Thus, if both statement and fact were confirmed, we would reach the conclusion that Mr Shultz was either mouthing words as a thick smoke screen or was voicing a "mea culpa" of which he would be rid if both the Americans and the others, would really put an end to their profitable arms trade, a trade that makes it possible to fill the pockets of those individuals and nations that traffic in weapons while here, in the underdeveloped areas of America, new Amazon rivers flow, but filled this time with blood from veins that are lacerated in a struggle between brothers.

CSO: 3248/248

BRIEFS

PANAMA CANAL AFFAIRS COMMISSION--The Panama Canal Affairs Commission was installed yesterday by the National Legislation Council. As part of the National Legislation Council, the new commission will play an important role in the present political situation when the importance of the inter-oceanic waterway in the life of Panamanians is being discussed. The members of the commission are: Representative-legislator Raul Montenegro, president of the commission; Representative-legislator Carlos Alvarado, vice president of the commission; and Representative-legislator Erasmo Sanchez, secretary of the commission. The other members, also representative-legislators, are Targidio Bernal, Fernando Gonzalez, Luis de Leon Arias and Hector Adler. This commission will be more important each day as we get closer to the year 2000, a National Assembly spokesman said, adding that the commission's functions are established in article 181 of its internal regulation, which says among other things: to promote projects for technical assistance and administrative support to the Panamanian Government in establishing policies, measures and regulations for the implementation of the Panama Canal Treaty. [Text] [PA180219 Panama City CRITICA in Spanish 17 Nov 82]

COMMISSION APPOINTMENTS QUERIED--["CRITICA Analyzes and Asks" Column]--In compliance with Canal Treaty stipulations, President Ricardo de la Espriella has named three new members to the Panama Canal Commission Board of Directors. It is up to the President of the United States to approve the appointments. We would like to ask the U.S. ambassador: How long do we have to wait for Carlos Ozores, Fernando Cardoze and Oyden Ortega Duran to be confirmed as members of the Canal Commission Board of Directors? [Text] [PA192320 Panama City CRITICA in Spanish 18 Nov 82 p 8]

SOVIET FRIENDSHIP WEEK--A Soviet delegation headed by Abdrajanov Serik and including Aleksandr Shenguelia, an architectural sculptor, and Alexandr Servin, a chess master, has arrived in Panama to participate in the celebration of the fourth Panamanian-Soviet Youth Friendship Week, which will open today at the University of Panama. [PA072026 Panama City LA REPUBLICA in Spanish 5 Nov 82 p 24]

NEW DIPLOMATS APPOINTED--Several new diplomats have been appointed recently: Dr Jorge Medrano, consul to Switzerland; Santiago Torrijos, ambassador to the FRG; and Marco de Lucas and Felix Estripeaut, consuls in Venice and Genoa, Italy, respectively. [PA090015 Panama City LA PRENSA in Spanish 3 Nov 82 p 1]

NEW PARTY NEWSPAPER--According to a Peoples Action Party communique, the first edition of its newspaper ACCION is already on sale for \$0.20. Some of the topics discussed in this first edition are the picketing of the Institute of Hydroelectric Resources and Electrification, an analysis of the national economic situation and views on the Constituent Assembly. [PA090015 Panama City LA ESTRELLA DE PANAMA in Spanish 7 Nov 82 p B-1]

CSO: 3248/248

ALLIANCE MAPS LOCAL ELECTION STRATEGY, TWO-PART CONVENTION

Tapia House News Conference

Port-of-Spain TRINIDAD GUARDIAN in English 22 Oct 82 p 1

[Text]

THE FIRST convention of the Alliance comprising the United Labour Front, the Tapia House Movement and the Democratic Action Congress will be held in two parts.

The first session will be on Sunday, November 14, and the second early in the new year.

Convention details were revealed at a Press conference of the Alliance at Tapia House in Port of Spain yesterday by members of the Alliance's convention planning committee headed by acting Senator Alloy Lequay.

Venue will be the Chaguaramas Convention Centre, at a fee of \$3,900 plus a refundable deposit of \$400.

Four pages will be presented at the convention.

Senator Brensley Samaroo said it was hoped the convention would be the beginning of the three groups coming out as one political organisation.

In the second session, he said, they hoped to be able to choose leadership and the wording of the constitution.

First paper will be presented by Rep Winston Dookeran (Opposition, Chaguaramas) who will speak on the state of the economy.

Senator Lloyd Best (Tapia), leader of the Opposition in the Senate, will speak on the history of the Alliance and "how we can move from here."

Mr. A.N.R. Robinson, (DAC) Chairman of the Tobago House of Assembly, will discuss "National Unity" and Rep Basdeo Panday, (ULF) Opposition Leader, will speak on equality under the constitution of Trinidad and Tobago, Constitutional development and electoral reform.

It is also hoped to set up a foundation members' register at the convention.

Convention Plans

Port-of-Spain TRINIDAD GUARDIAN in English 22 Oct 82 p 1

[Text]

THE NATIONAL Alliance hopes to contest the forthcoming local government elections under one banner with a single symbol.

This was stated by Mr Lincoln Myers, a member of the Alliance convention planning committee at a Press conference yesterday.

He said it was expected that a decision would be taken at the convention to

move into the local government elections with a single symbol.

The Alliance plans to contest all seats in the elections.

Acting Senator Alloy Lequay said there was no official approach by anybody towards joining the Alliance for the elections or otherwise...but he added that the Alliance was not

opposed to any other like political group in the country.

The Alliance would remain open to any other group, he said.

Yesterday's Press conference at Tapia House was chaired by acting Senator Lequay and sitting in with him as members of the convention planning committee were Senator Dr. Brinsley Samaroo, Mr. Anthony Jones (DAC), Mr. Lincoln Myers (Tapia), Rep Dr Emmanuel Hosein (opposition, Naporima).

BUSES NEEDED

The planners hope that the Public Service Transport Corporation would make available an adequate number of buses to allow persons to attend the convention.

The convention planners claimed that the Alliance was a growing force and they were very optimistic about the future.

Dr Hosein said that during the last general elections the Organisation for National Reconstruction (ONR) with its American style advertisement, was able to convince a substantial number of people that they were able to fight the ruling Peoples National Movement.

"That is no longer so," he said. "The most visible appeal is no longer there."

Mr Jones noted that the National Land Tenants Association had turned to the Alliance for a political base

in Parliament.

Mr Lequay said that in the Alliance they were trying to develop a framework to bring all the elements together and he noted that one factor that has established the Alliance was their performance in Parliament.

The members have been working as one team together, he said.

Mr Lequay said it would take some time to convince the country that the Alliance was the definite alternative to the People's National Movement. "Until we have the final convention and elect our leaders and people see it working for a while as a single entity we won't say we are superior", he said.

NEW PHILOSOPHY

Dr Hosein claimed that the PNM's philosophy ran its course ten years ago; now the oil money is on the wane he hoped that people would realise that a new type of philosophy was necessary.

Dr Hosein said, too, he expected that the recession would be an eye-opener for the people and that they realised that the Alliance was building up a philosophy.

The convention committee is working on a \$25,000 budget.

The convention field organising committees will meet today at 7.00 p.m. at DAC headquarters, Barataria.

CHAMBERS DENIES ELECTIONEERING IN TOUR OF COUNTIES

Nine-Day Itinerary

Port-of-Spain TRINIDAD GUARDIAN in English 13 Oct 82 p 1

[Text]

PRIME MINISTER George Chambers will begin his visit to St Andrew/St David in Toco on Saturday and end it nine days later at Sangre Grande.

He is to attend services at both the Anglican and the Catholic churches.

The Prime Minister will arrive at Cumana/Toco on Saturday at 5.15 p.m. and the following day he will attend a harvest festival service at the Toco Anglican Church. The following Sunday he will attend an inter-religious service at the St Francis Catholic RC Church, Sangre Grande.

The Prime Minister is to visit Balandra, Rampanalga, Toco, Matelot, L'Anse Noire, Sans Souci, Montevedio,

Grand Riviere, Salybia, Matura, Vega de Oropouche, Coalmine, Nestor Village, Guaico Tamana, Four Roads Tamana, Coryal, Cumuto, Fishing Pond, Caigual, Plum Mitan, Mapa Farm, Plum Road Junction, and North and East Manzanilla, Platanal, Cumaca.

At Sangre Grande, he will hold a Cabinet meeting at Non Pareil Estate.

Mr Chambers will view water and farm projects, the National Quarries housing project, the county hospital, the market, senior citizens home and recreation grounds.

Throughout the tour he will meet and hold discussions with community organisations.

News Conference Remarks

Port-of-Spain TRINIDAD GUARDIAN in English 25 Oct 82 p 1

[Article by John Babb]

[Text]

PRIME MINISTER George Chambers has scoffed at remarks made by the Opposition that his tour of the Eastern Counties was electioneering at taxpayers' expense.

Replying to the charge at a News Conference on Saturday, Mr Chambers declared: "There is nothing to electioneer about.

"What we are doing," he explained, "is keeping our election pledges — maintaining dialogue with the people in a positive sense."

Mr Chambers was asked

by one newsman about the cost of his tour. He replied that he was in no position to state what was the cost. "But I did stay at the Government Rest House while in Toco," he added, and at the close of the tour he was staying temporarily at a house on Picton Road, Sangre Grande.

Asked about the involvement of youth in various projects, Mr. Chambers said the Demas Task Force was currently studying the question of youth participation. Likewise the Ministry of Community

Development and Local Government.

Almost at the start of his tour when he attended a church harvest at Toco, Mr. Chambers made some remarks about the lack of locally grown agricultural produce at the harvest.

When asked if he still held such a view about this possible shortfall in agriculture in the rural areas he had visited, Mr. Chambers said "it is safe to say that I spoke too soon."

POSITIVE EVIDENCE

He corrected his earlier statement when he said that throughout the tour he had seen positive evidence that there was no lack of will or agricultural production on the part of the industrious people who are involved in agriculture in the counties of St. Andrew and St. David.

The Prime Minister recalled that on other tours gifts presented to him were more in the nature of handicraft. Speaking of St. Andrew/St. David, he said: "Here, I was struck by the intention of the people to give what they produced in agriculture."

Mr. Chambers, at the News conference, sought to correct a newspaper report about which he said his remarks were probably misunderstood, in respect to DEWD labour in agriculture.

What he said was, that the Government had purchased an estate at Gran Riviere, and the development plan for that estate was being supplied by the Ministry of Agriculture, Lands and Food Production, and that the ministry was prepared to use DEWD labour and Local Government labour on the estate.

During his visit to the area, Mr. Chambers recalled, a young man had suggested to him that he, the younger man, would like to see DEWD labour involved in agriculture in St. David — paying the same DEWD wages, but the work being done in agriculture.

Mr. Chambers hinted that the ministry was proposing to embark on the proposition of using DEWD labour on a pilot basis in

agriculture.

THRILLED

Asked about the highlights of his tour, the Prime Minister said it was difficult for him to give his impressions of the highlights, because to do that would be to give some indication of preference of one village over another.

Every village, he said, had its own peculiar personality; its own character; its own spokesman — very articulate and jealously guarding his own village boundaries.

But the Prime Minister did pinpoint the school children's rally held at the North Eastern College in Sangre Grande.

"I was thrilled by the atmosphere," he said. "It gave me the feeling that this country will never be lost if we continue to produce children like the children we saw at North Eastern College," he added.

Comparing the difference in lifestyles between the urban and rural folk, Mr. Chambers said: "I think it is safe to say that in the urban parts we have become too televisionised."

"We get to town in our cars; we get back home, and the next thing we do is turn on the television set, or the video set."

"In the rural area, I think the expression I can use is that there is a purity of life that one feels and experiences in the rural parts of the country. The people are more self-reliant."

"I think there is a basic self-reliance in the rural area," he added.

Speaking on the problem in communication, Mr. Chambers said one of the problems in the country was that people did not know specifically where to go to make recommendations.

"In the policy statement issued by the Ministry of Information," he added, "you will see that there are plans to change that."

LEARNED A LOT

People had to make so many rounds before they found the right place, he

observed, and said that this reflected the need for some streamlining of the communication system so people could know exactly where to go for what they wanted.

The Prime Minister indicated that he had learned a lot about the conditions that the rural folk had to endure.

If he had not gone there, he said, he would not have known what the actual conditions were for people trying to get from Matelot to Cachipa.

"Unless you actually get there and see the road, and talk to the people. You actually see the tears welling up in their eyes."

"Also, if I had not gone, I would have no idea of the touristic value in Cumaca — to witness the spectacle and majesty of that valley. No one can describe that," he added.

Replying to a query about the Iron and Steel Company (ISCOTT), Mr. Chambers said he was personally disturbed, but not to the extent that he would throw himself off the Colonial Life Building. "But it worries me to the extent of its capital absorbment capacity and the long gestation that it can make a profit."

"My concern is about the capital intensive nature," he lamented, "because it needs to continue in a period where steel is under pressure, and that is not the only thing. There is also petroleum which is under pressure; export agriculture is also under pressure. Likewise tourism. But I do believe it is to the extent that we should shut down ISCOTT."

"I am worried about the state of the steel market internationally," added the Prime Minister. He said he knew that something on the steel issue was coming out of the Demas Task Force. It was just a plain case of facing economic reality.

"If you can afford, you can afford," he added. "If you can afford it in 12 instalments and not in one, then you do so in 12 instalments. But there is nothing in my mind about closing down ISCOTT," said Mr. Chambers.

'GUARDIAN' ASSAILS MANLEY FOR HIS SUPPORT OF GRENADA

Port-of-Spain TRINIDAD GUARDIAN in English 13 Oct 82 p 9

[Editorial]

[Text] WE HAD thought that recent West Indian history, highlighted by the clobbering which his own party had received in the last Jamaica general elections, would have convinced Mr. Michael Manley at least of two things.

First, that the people of the English speaking Caribbean, left to themselves, would prefer not to be governed by Leftist or Socialist-oriented regimes.

Second, they would like to retain the right and freedom to elect or reject political parties as they think fit, to have the government of their choice.

To Mr. Manley's credit, since he appears to subscribe to the second proposition, he gave his own people that opportunity and they rejected him.

If he had behaved like Mr. Maurice Bishop of Grenada, whose revolutionary government he consistently champions and clearly admires, then he would have had to crush the will of the Jamaican people by force of arms, an enterprise that most likely would have pleased his Cuban supporter.

But the son of the late great Sir Norman Manley, Jamaican patriot and pioneer of West Indian unity, could not deny the democratic heritage which he and his people have inherited.

After all this, we are amazed to find Mr. Manley still fiercely defending the revolutionary cause of the Bishop regime in Grenada and roundly condemning those who want to "get at" the PRG for not holding elections.

Mr. Manley would do himself and his country much good, if he were to stop playing the clown over discredited ideologies, especially when he is supposed to have driven out of his own camp the extreme "real" socialists, the avowed Communists of Jamaica.

Mr. Manley is torturing history, too, when he states that people are "getting at" Grenada for not holding elections: Mr. Bishop announced on the very morning he seized power that his government would soon call elections.

They are now well into their fourth year of power without showing the tiniest sign that they intend to do any such thing.

We deplore Mr. Manley's naive defence of Mr. Bishop's politics since he hypocritically chooses to ignore all the repugnant and unsavoury aspects of the PRG administration.

Desperate Grenadians

Desperate Grenadians, writing to the Guardian to make their plight known, tell us of the fear and terror that now grips the heart of a once carefree people. Instruments of this fear are "functionaries of the PRG who hijack patriotic citizens, placing them in concentration camps."

Even children, we understand, are among those held in illegal custody and subjected to increasingly inhuman treatment. A few have been victims of some casual target practice by armed PRG soldier

Detainees, according to a letter we have received from a "patriotic Grenadian," exist on a poor diet of almost pure carbohydrates prepared in kitchens which are no better than pig sties. Flies and cockroaches are not uncommon ingredients in their menu.

Is Mr. Manley moved by this kind of atrocity? By his unconditional support of the Bishop regime he must now be considered a painful embarrassment to his father's memory.

CSO: 3298/093

OPPOSITION LEADER CRITICIZES CHAMBERS' PNM SPEECH

Attack on Economic Planning

Port-of-Spain TRINIDAD GUARDIAN in English 7 Oct 82 p 3

[Text]

OPPOSITION Leader Basdeo Panday has stated that Prime Minister George Chambers seems to have no real appreciation of the problems in the society.

The Prime Minister appeared to be of the mistaken belief that the economists could put forward a plan which would solve our problems, the Opposition Leader added.

He was commenting on the speech delivered by the Prime Minister at the annual convention of the ruling People's National Movement over the weekend.

Mr. Panday said "He does not seem to understand that plans have to be executed by human beings and that before any economic plan could succeed, there must be a plan for mobilisation of the human resources.

"Such a plan requires an understanding of the nature of our society. Unless there is such a plan a hundred Demases (referring to the Williams Demas Task Force) will not resolve our prob-

lems."

YEARS OF NEGLECT

He said that as the Opposition saw it, among the greatest constraints to economic advancement in the country was the feeling of alienation among the majority of people in the country.

"It is a feeling that has been brought about by years of discrimination, years of neglect, years of exclusion from the process of political decision making."

The Opposition leader said that unless the Prime Minister could find an answer to that problem he might have a great economic plan with no human beings to implement it.

"Before one can even think of an economic plan, one must consider reform of the political system which will unite and motivate the citizens of this country and spur them unto greater and greater effort."

Analysis of BWIA Issue

Port-of-Spain TRINIDAD GUARDIAN in English 7 Oct 82 p 3

[Text]

IF THE Government cannot afford Trinidad and Tobago Airways (BWIA) Corporation then it cannot afford a host of other State owned industries, according to Opposition Leader Basdeo Panday.

Mr Panday said yesterday that it was clear that the problem with BWIA was deeper than mere profit and loss.

The Opposition Leader was commenting on the statement by Prime Minister George Chambers that the country would have to reconsider whether it could afford a national airline.

Mr Panday said what the Prime Minister had to say about BWIA could be said of almost every State enterprise and if it could not afford BWIA then by the same

rationale it cannot afford PTSC, it cannot afford Caroni Ltd, it cannot afford Trinidad Food Processing and a host of other State-owned industries.

The problem, he said, was a social and a political one, and unless the Government resolved that "then it will not only have to close down BWIA... it will have to close down the country".

OPPOSITION LEADER BEST ON ECONOMY, FORMULA FOR PROGRESS

Port-of-Spain TRINIDAD GUARDIAN in English 15 Oct 82 p 9

[Article by Lloyd Best]

[Text]

AS TRINIDAD and Tobago approaches its Budget for 1983, our economy is perhaps more under stress than ever it has been. The immediate source of strain has been the shift in the crisis within the international energy industry from the consumers of petroleum and its products to the producers. Oil exporters such as ourselves are at worst experiencing a fall in their earnings, at best a growth decidedly slower than the payments to which current programmes have already committed them.

In our own case, lower prices and a regime of lower taxes (dictated by what seems to be a need to encourage exploration) are being reinforced by falling output.

The effect will probably be a fall in real national income and certainly a decline in Government revenue and, therefore, in public spending on both development and welfare.

These will be followed almost inevitably by a dampening of business expectations and therefore by a tendency, on the best of assumptions, for profits, wages and jobs to be increasingly less buoyant and for national capital to seek less insecure havens in other parts of the world.

This shortage of foreign exchange and of Government revenue brought on by adverse developments in the leading oil sector is, if anything, exacerbated by our failure to sustain activity in and remunerative sales of our traditional agricultural staples such as sugar, cocoa, coffee and citrus.

We have also had only limited success in activating new staples such as natural gas or new energy-based outputs such as fer-

tilisers, steel, aluminum and the other products which have long been earmarked for development at the Point Lisas Industrial Development Estate.

So even without for the moment adducing any exact statistical measures, the crisis in Trinidad and Tobago is real. But the problems of a threatening indigence are compounded by the habits which we have cultivated over seven good years under conditions of affluence which we can hardly be said to have earned by our own initiative.

TOO HIGH

The windfall which we received from 1974 up to last year has allowed us to commit ourselves to too high a level of consumption with a pattern excessively dependent on imported goods and services.

Government may have become too involved in the dispensing of patronage, in the support of welfare schemes, in the subsidisation of utilities and public goods, and in the mounting at one and the same time of prestige investment projects — few of them directly related to production and

fewer still capable of profitable operation.

Private business, for its part, may have been motivated by an inflated and distorted demand for prestige goods — particularly cars and consumer durables — on a scale bearing little relation to our capacity to sustain the elevated level of spending and the free flow of foreign exchange needed to make the industries concerned economically viable on a long-term basis.

When to this taste for affluence and these prospects for indigence we add the burdens of a lopsided colonial economy designed from the outset to produce what it does not consume and to consume what it does not produce, we end up in 1982 with an absolutely devastating convergence of incidentals and fundamentals.

For as long as we can remember we have had an economy passively swept along by the vagaries of international fortune, woefully dependent on aid, on protection and on every manner of imperial shelter, and so mendicant in its posture that it revels in its "developing" status.

If it means anything at all, it describes a psychology among the elites that prohibits any step whatsoever which might liberate innovation and enterprise, and admit dynamic choices in organisation, technology and marketing.

So while the problem of the moment may appear to be more urgent than ever, its dimensions are not really any more extensive than before.

Members of the public are querying whether in fact there exist an oil crisis and an economic recession. They want to know what are their manifestations, what their origins and their causes. What are their likely consequences in terms of jobs and incomes and the general welfare for all regions and the interests, for the broad masses and for the social classes?

What, they are wondering, might be the appropriate measures of adjustment? What is to be done now and what later? What are the conditions for a successful salvage?

On the surface the answers to these questions are very straightforward. We shall soon see the manifestations of the crisis in the decline if not the collapse of a whole range of activities — particularly assembly activities — viable only in that lost world of delusion where there existed unlimited foreign exchange.

Unless there were some sort of miracle, Trinidad and Tobago was bound sooner or later to come up against restrictions on imports, sharply declining employment, a drastic curtailment of Government handouts and subsidies, severe limitations on wage increases, tighter conditions for bank-lending, food scarcities, higher prices for basic goods and services, and even a more stringent regime of taxation than before.

In such circumstances, it is almost inevitable that the poor, the under-organised, and the uninfluential would suffer greater losses than the

rich, the organised and those who enjoy higher influence on State decision, political polarisation and political conflict can therefore hardly be avoided in such conditions.

The search for solutions therefore needs to be undertaken early by those claiming a commitment to political and social stability. Here too, the needed measures seem to pose no especial difficulty.

Right from the start, while we still have a range of options and some cushioning left in the form of accumulated reserves, the public should be induced to give up excessive consumption of imported food, foreign travel, luxury durables, and so on.

Unproductive investments should be sternly prohibited and public profligacy resolutely contained.

On the production side, if oil no longer lays the golden egg, such surpluses as are available — current and accumulated — should be deployed in activating other outputs. The problem here is how to allocate investible funds between

(i) Upstream activities in the energy sector in order to sustain incomes;

(ii) Downstream activities at Point Lisas to which we are in part already committed;

(iii) Fabrication activities further downstream still — where outlets might be created for steel, aluminium and related outputs;

TWO LEVELS

(iv) Off-stream activities in agro-industry which might draw on a more enduring, more renewable and therefore more dynamic range of national resources, hard and soft, man-made or bequeathed to us by Providence.

The actual measures to be taken become complex only when we arrive at the level of detail where discriminating choices have to be exercised, where sequences and priorities have to be determined, and where internal contradictions have to be reconciled and therefore, political interests have to be

balanced.

What that means is that there are at least two levels at which the solutions must be pitched. On the political plane, not much would be possible by way of concrete programmes unless the organised interests Government, Business and Labour — devise a framework for meaningful trade-offs.

Already Mr. George Weeks and the Oilfields Union have emerged as the stars of the moment.

The settlement reached with them over (a) the restructuring of ownership, control and participation in the oil belt and (b) the current bargaining at TTEC could be decisive for everything thereafter in terms both of the substance of the final agreements and the manner in which the latter are ultimately arrived at.

At the technical level, the necessary trade-offs would not even be perceived if the economic planners did not sketch a clear picture of what happens to (a) the appropriation of the product and (b) the distribution of gains and losses when recession calls for a general belt-tightening.

The political parties, for the most part regionally and ethnically based, know instinctively that any given measure produces different results for different geographical and political constituencies.

But acceptable trade-offs might still be possible if the technical framework is laid for the necessary political calculations.

It is anybody's guess whether the contradictions of our party politics can admit the minimum of rational trading necessary in the immensely irrational realm of competition for economic advantage.

On this count, it is up to the political managers to fashion their own appropriate interventions.

But what a responsible technocracy must make certain of is that the discussions of the issues be informed, right from the start, by lucid and pointed formulation of problem and possibility.

ONR ANNUAL CONFERENCE HELD: EXECUTIVE CHANGES EXPECTED

New Faces Among Nominees

Port-of-Spain TRINIDAD GUARDIAN in English 8 Oct 82 p 1

[Text]

A MAJORITY of new faces will be on the executive of the Organisation for National Reconstruction (ONR) after Sunday's annual conference of the party at the Lions Civic Centre, Circular Road, San Fernando.

Nominations from constituency groups show that most of the present executive members have not been nominated to contest the positions they hold. In some instances they have declined nomination.

Party Political Leader Karl Hudson-Phillips has been nominated unopposed so far and is expected to be returned to the position and will have as his riding partner the Deputy Political Leader Suruj Rambachan.

Nominations for party posts were originally scheduled to close last night. At a meeting of the ONR's Interim Organising Committee on Wednesday night, it was decided to extend the nomination deadline to midday today.

The party will definitely have a new Chairman since the incumbent Mr Herbert Atwell is not running. Two persons have been nominated for this post — Mr Roy Augustus and Mr Mervyn Assam.

ONLY NOMINEE

There will be a new Public Relations Officer in the per-

son of Mr Anthony Smart, the former General Secretary, who is the only nominee for that position.

Changes are expected too in the positions of Vice-Chairmen with none of the three incumbents nominated so far.

There were four nominees up to yesterday: Mr Ben Brown, Dr Romesh Mootoo, Dr Harry Kuwarsingh, and Mr Clive Pantin.

Ms Anna Mike of San Fernando is the only person nominated as Youth Officer (Female) while there are three nominations for Youth Officer (Male).

Party officials have not yet released names of nominees for the post of General Secretary which became vacant last year when Mr Smart resigned.

Ms Monica Carter, a school teacher, is contesting the post of Assistant General Secretary against Mr Abdool Wahab.

The convention is to begin at 8.00 a.m. and continue throughout the day with Political Leader Karl Hudson-Phillips scheduled to deliver his address in the evening session.

Reports to Meeting

Port-of-Spain TRINIDAD GUARDIAN in English 12 Oct 82 p 3

[Text]

PARTY ORGANISER
Ferdie Ferreira of the Organisation for National Reconstruction (ONR), told the party's second annual convention at the Lions Civic Centre, San Fernando, on Sunday that "the basic problem in the country today is political confusion."

Mr. Ferreira said that people felt that they could not deal with the situation and resorted to drugs, particularly the young people, because they had been "consciously or unconsciously manipulated to accept and digest the politics of dependency: — no PNM, no house, no job."

He added "Almost 50 per cent of the electorate refused to exercise their franchise in the last general elections and we must find out why. Because, all I see before me, is a very critical situation, explosive situation, where there is pain, suffering and possibly death. I see no justification for waiting until tomorrow the reconstruction must start today," he declared.

Mr Ferreira in his report reviewed the ONR's activities leading up to the general elections of November last year. He referred to the death of Prime Minister Dr. Eric Williams and the effect it had upon him with respect to a possible return to the party. He told the convention that after Dr Williams's death in March 1981, he took the period of mourning to ask himself many serious and searching questions and in the end decided to "stay put with the ONR."

The report from the Party Organiser was one of

several presented to the morning session of the convention, the others coming from Treasurer Hayes Sampson, and the Women's Affairs Organiser Mrs Margaret Hector.

Miss Ana Mike, youth officer, presented her report in the afternoon session, winning tremendous applause following her call upon the ONR to give opportunity to the youth of the land to play a more meaningful role in the development process.

Miss Mike said that today's youth were frustrated by the education system, the lack of jobs and worse, the lack of opportunity for further training "even when you hold the necessary qualification because school places in this area were few and far between."

She said that there was an important and vital role for youth to play in nation building and she was firmly convinced that it was only through the ONR "will the youth of our country be given the opportunity to play their part."

Only one resolution came before the convention and that called on the new National Executive to appoint a committee to review the party's constitution. The recommendations are to be reviewed by a special conference and voted upon.

During discussion on the resolution, it was suggested that the review committee be made permanent and that women should be given "adequate, not token representation" so that they could make a worthwhile contribution to the review of the constitution.

COMMITTEE STUDY OF PRODUCTIVITY IN INDUSTRY SCORES WORKERS

Port-of-Spain SUNDAY GUARDIAN in English 17 Oct 82 p 1

[Text] THE present pay arrangement for Government's daily-rated workers result in the loss of much productive man-hours, says a four-man committee appointed by Works Minister, Hugh Francis to look into the whole question of productivity in the Ministry of Works, Maintenance and Drainage.

The committee, which was headed by the Parliamentary Secretary in the Ministry, Mr. Ashton Forde, estimated the loss of productive man-hours on pay-day at about 15 per cent of available productive time.

As a result, the committee has recommended the computerisation of the Ministry's pay-roll system which, it says, would reduce considerably, the number of unproductive man-hours spent by workers going in search of their wages.

The committee also discussed the question of management's responsibility, and recommended that management becomes more directly involved in activities relating to functions like planning, control, forecasting and motivation.

On the question of equipment utilisation, the committee noted that the system of allocating the Ministry's fleet of vehicles, equipment, plant and machinery does not allow for maximum use to be made of these resources. If recommended a systematised allocation that would reduce equipment under-utilisation.

It also recommended that a campaign geared to create greater awareness among workers of their role should be organised by the Ministry's training officer.

It noted too the lack of supervision, and that the procedures for control, inspection, preventive maintenance and reporting have not been strictly followed.

As a result, the committee recommended that the district inspectorate be re-introduced, but that it report directly to the chief technical officer for greater effectiveness, rather than to the chief officer services as was formerly the case.

The committee also considered the unavailability of an adequate supply of essential materials both for roads and building construction, which contributed to delays in the completion of projects.

As a solution, the Forde Committee recommended that storekeeping and procurement functions in the Ministry be merged to achieve greater productivity.

The secretary of the Ministerial Tenders Committee, it said, should be the purchasing officer who would be better able to liaise on the Ministry's behalf with the Central Tenders Board, and the division with requisitioned materials in the ministry.

It also recommended the reorganisation of the labour relations section--at the head office and district levels in the Ministry. This section, should be established as an independent branch under the comptroller of administrative services for greater effectiveness, and to facilitate efficient and expeditious handling of the Ministry's labour relation matters.

As an upshot of the committee's report, all the directors in the Ministry are due to meet with Mr. Francis later this month to discuss implementation of the recommendations.

CSO: 3298/094

SHIPS BACKLOGGED IN HARBOR, HIGH CARGO VOLUME BLAMED

Problem of Guyana Rice

Port-of-Spain TRINIDAD GUARDIAN in English 14 Oct 82 p 3

[Text]

NON-AVAILABILITY of storage facilities on the Port-of-Spain wharves is the reason several rice boats have been forced to remain out in the stream with millions of dollars worth of cargo in danger of spoiling in their hulls.

According to a source in the Ministry of Industry and Commerce, Shed 9 on the wharves which stores all rice cargo is filled to overflowing and cannot accommodate any more rice.

The shed is leaking and the Ministry has ordered the Port Authority to repair it.

Last week it was reported that thousands of bags of rice were spoiling out in the stream but the agents for the cargo, Abraham Shipping Company Ltd, denied that this was the case explaining that fumigation of the commodity was a regular practice for boats that overstayed a certain length of time.

The Ministry of Industry and Commerce, which issued the agents' denial, did not give the reason for the delay of the boats and neither Ministry nor the Port Authority officials could be reached for comment.

However, another source at the Port spoke of irregular practices concerning rice boats.

According to the source, there appears to be some sort of odd priority system for rice boats to berth and discharge their cargo.

MADE TWO TRIPS

During the past two months, five rice boats entered the Port-of-Spain harbour with cargo but the one which came in last was allowed to offload first.

He named these in order as the Steady which came in two months ago, the Kate — six weeks, the Alana Marie — one month, the Jenkie — three weeks and the Alvin R which came in last but has already discharged cargo and left local waters.

The Steady was berthed and was ready to discharge but gave up the berth to the Alvin R which carries much more cargo.

In the space of time it took Steady to discharge, the Alvin R has made two trips.

The Steady was fumigated for weevils and has returned to the berth which it gave up to Alvin R. It is believed that the Steady and the Alvin R belong to the same owners.

The source also said that the fumigation process used on the rice boats must be dangerous as warning signs are put up when it is taking place.

But a spokesman for Rentokil the firm which has been contracted several times to fumigate rice boats, said that the methyl bromide used "is safe and had been approved by world health authorities."

He said that the gas was commonly used to fumigate soil in the growing of tobacco and for fumigating other types of raw foodstuff.

The signs are meant to keep unprotected people away during the time of releasing the gas and "airing" it.

The Port Authority source also pointed out that it was unnecessary for rice bags to be offloaded on the wharves and then onto lorries rather than straight from the hull by wynches. He claimed that the extra delay was for the stevedores to gain extra earnings.

He said that rice boats, knowing the operations of the local port, were quite happy to "rush up here to anchor and get weevil" while waiting for berths.

\$900 DAILY

He suggested that the operators of these boats found it favourable to receive the \$900 daily demurrage penalty fee for having to stay longer than ten days waiting to discharge.

In recent times Guyanese rice has fallen out of favour with local consumers who have turned to higher quality and more available United States long-grain rice.

One agent for U.S. rice, McEneaney Alston Ltd. who imports "Sunlight," said it brings in 10-15 containers of the rice per month.

Unlike the Guyanese cargo which is shipped in bags, the U.S. rice is already packaged and is easier to distribute.

It has been noted that the Guyanese "loose" rice is no longer popular because of its poor quality and is only suitable for fodder.

Months ago Guyanese President Forbes Burnham was quoted as saying that prime Guyanese rice was exported to Eastern European countries.

Port Authority Plans

Port-of-Spain TRINIDAD GUARDIAN in English 21 Oct 82 p 1

[Article by Nylah Ali]

[Text] INCREASED amounts of cargo coming into the port of Port of Spain has been blamed for the current congestion on the docks.

According to Port Authority Chairman Eustace Bernard, the local port receives more than twice the cargo going to all the former British Caribbean islands with the exception of Jamaica. And this, added to several other factors, is the cause of the pile-up of ships out in the stream awaiting berths.

Mr. Bernard said the congestion began at the beginning of last month and is continuing at present.

"From March 15 until the end of August we were having between one to three empty berths at the Port of Spain wharves, but now all eight berths are taken," he said.

The eight berths can accommodate a total of ten ships depending on their size but at present there are more ships than berths at the wharves.

Mr. Bernard said the problem began following a dock strike from August 8 to 11 which brought operations to a standstill.

"It took us two weeks to regain our momentum but we never caught up with the backlog as it was the beginning of the influx of the Christmas cargo and as fast as we cleared, more cargo was arriving," said the Authority's general manager Otis Mendez.

In August and September the port also had to contend with naval ships from the United Kingdom, the Netherlands and Brazil who were invited as guests on the occasion of this country's 20th anniversary celebrations.

"We had to give berths to these ships which stayed a total of 36 days," said Mr. Bernard.

Frequent outages at the port contributed to the congestion too, said the general manager.

"Electrical equipment like ship gantries (power cranes) which are used to off-load containers are forced to remain idle during blackouts," said Mr. Bernard. In addition, stevedores are disinclined to work when it is raining, he claimed.

The port itself is congested with empty containers and heavy vehicular traffic, the chairman pointed out.

"There are a number of empty containers that are in and about the port taking up space where cargo could be stored," said Mr. Bernard.

Three Levels

Today empty containers are piled two and three levels high at the docks.

The flow of traffic into and out of the docks has also been hindered in recent times by the excavation and other work being done on Wrightson Road.

"Vehicles loaded with cargo find their progress greatly reduced and can be seen lined up bumper to bumper waiting to leave the area," said the chairman.

In giving instances of those who have added to the congestion by not collecting cargo, the port chairman blames the Racing Authority and the Trinidad and Tobago Electricity Commission (TTEC) as two of the culprits.

Since 1981 the Racing Authority has had 13 40ft. containers full of electrical equipment on the docks while TTEC has had several imported vehicles here for the past two months," he said.

In addition, there are 60 left-hand drive motor vehicles abandoned at the port by their owners who never got permission for these imports, noted the chairman.

Besides these points the chairman and the general manager claimed that the absence of navigational lights from 6 p.m. to 6 a.m.; the inability for dredging to be done at berths seven and eight in order to deepen berths because of protests from TTEC that it was interfering with its cooling system; the refusal by captains of some ships to have their men work overtime and the practice of break-bulk (uncontainerised cargo) ships to bring both containerised and break-bulk cargo thereby using two berths for off-loading are all contributory factors to dock congestion.

These problems and others are to be dealt with by the Port Authority in the following ways, said the chairman:

- vehicular movement in the port area will be contained by awarding a contract to provide a car park immediately east of the General Post Office for customs officer and senior port officials.

- large mini-buses will be used to transport workers and other people having business on the port throughout the day.

- naval ships in so far as the port authority is concerned will no longer be accommodated at berths but will stay out in the stream.

- for ship's captains refusing to work overtime, the Authority will carry out provisions under the Port Authority Act in controlling movement of ships by asking them to leave berth and give way to another ship.

- break-bulk ships will no longer be allowed from a particular date to bring in part break-bulk and part container cargo but one.

--a tender will be awarded for the installation of additional pilot lights to be erected at Lady Chancellor Hill and in the Grier Channel for 24 hour navigation in stream.

These are the recommendations outlined for improvements of congestion.

Shippers: Space Not Used

Port-of-Spain TRINIDAD GUARDIAN in English 22 Oct 82 p 1

[Text] THERE is a lot of space at the port that is not being utilised by the Trinidad and Tobago Port Authority.

This was the response of the president of the Shipping Association, Ignatius Ferreira, to Port Authority Chairman Eustace Bernard's claims that the Association was partly to blame for the congestion on the port by having its empty containers pile-up in the port area.

"The Authority has so much space but is doing absolutely nothing with it," said Mr. Ferreira.

He pointed, for instance, to the space once leased by the Trinidad Publishing Company Ltd. for the "Guardian Sports Club" which is now in the possession of the Authority and is not being used.

"Two years ago the Authority offered the Association this space to develop but we were not going to usurp Government's role and refused," said Mr. Ferreira.

Mr. Ferreira said also the reason empty containers were piling up in the area was because frequently there were no power cranes available to lift them on to ships when it was time to be collected.

He said of the four yard gantries (cranes) owned by the Authority, three were not in working condition and forklifts were another scarcity on the port.

Ships awaiting berths ran up costs of US \$10,000 a day and this cost was passed on to the consumer indirectly, said Mr. Ferreira.

Other sources said 140 containers of sugar imported by Trinidad Caroni (1975) Ltd. are expected to be removed from the port this weekend in an unscheduled period of work. Only some parts of the port work on weekends.

Ships which have been held up offstream from October 11 to the present are: Blue Taurus, Stentor, Florida Sea, Glacia Verd, Pala Waitland, Wilmona, Pacific Eve, Hector, Manolist, Benedict, Nedlloyd Nassau, Nordalt, Sea Explorer, Mexican Islands, Nedlloyd Pride, Kathleen, Hussler, Ebro and La Mollenar.

CSO: 3298/094

SUGAR PRICE HIKE BLAMED FOR PLANT CLOSINGS, JOB LOSSES

Confectionery Company Shutdown

Port-of-Spain TRINIDAD GUARDIAN in English 13 Oct 82 p 1

[Text]

K.C. CONFECTIONERY of Couva has shut down operations and 150 workers have been sent home. The company's Secretary, Mr. Ashmeer Mohammed, said the move was taken because of the situation affecting manufacturers of sugar-based products in this country.

Mr. Mohammed, as other manufacturers, blamed the 300 per cent increase in the price of sugar and the influx of foreign confectionery on the market.

He said that for the past seven years, the company had been writing to the Minister of Industry, Commerce and Consumer Affairs, and to the Industrial Development Corporation, asking that the product be placed on the negative list.

He said: "We have gone through four Ministers. We started with Mr. Errol Mahabir, then Mr. George Chambers, Dr. Cuthbert Joseph, and now Mr. Desmond Cartey. All we have received are acknowledgements that the matter is receiving attention."

According to Mr. Mohammed, Caricom countries like Jamaica, Guyana and Barbados, have sweets on the negative list, and expect to sell to Trinidad, but they cannot penetrate the local market.

JAMAICA MARKET

He said that there were now probably more than 1,000 importers of foreign sweets (outside of the Caricom areas) in this country. These

were not just the large-scale importers. Small investors were now importing sweets as well.

He said that local manufacturers "have to compete on a market where sugar is going at 60 cents per pound locally, while the world price stands at 15 cents per pound."

With the 300 per cent increase in the price of sugar, the factory, while formerly paying some \$48,000 for four containers of granulated sugar per month, was called upon to pay \$144,000.

He said there were difficulties with the Jamaica and Guyana markets. Local manufacturers had not been able to obtain a licence to supply Jamaica for the longest while. The Jamaican market had accounted for about 80 per cent of local exports.

Local manufacturers were unable to ship their goods to Guyana for four years, while that country continued to export sweets to Trinidad.

He said local retailers preferred to increase their prices from 5 to 10 cents instead of working with odd numbers (6,7,8 cents) and this did not help for competitive position of local sweets.

He said exporters like Brazil received subsidies and grants from the Government and cash rebates for every pound sold.

If the Trinidad and Tobago Government agreed to suggestions by the manufacturers, K.C. Confectionery, would willingly put the factory back into operation, he added.

Bottling Plant Cutback

Port-of-Spain SUNDAY GUARDIAN in English 17 Oct 82 p 1

[Text]

BOTTLERS Industries Ltd., canners of Pepsi, Mountain Dew, Teem, Ju-C, and soda water, has cut back its production.

The company's Managing Director, Mr. Nestor Baiz, said he has been forced to take this action because of the 300 per cent increase in the price of sugar.

"We could not afford to absorb the increase and had to pass on the cost to the consumer. As a result our sales have dropped," said Mr. Baiz.

Prices of Bottlers soft drinks have increased by \$1 for a carton containing 24 cans as well as for a case of 24 bottles.

Mr. Baiz said at first the company decided to cope with the loss in sales by slowing down its canning machines from 550 cans per minute to 200 per minute, thereby keeping its workers employed five days per week.

But he realised this was being "penny wise and pound foolish, so we have decided to run the machine at full capacity, reduce the work week to three days and pay accordingly."

According to Mr. Baiz, he has already informed his employees' union, the National Union of Government and Federated Workers, of his decision which will affect 150 workers in the plant's production department.

Meanwhile, Mr. Baiz has written to the Minister of Industry and Commerce, Mr. Desmond Cartey, protesting the importation of canned and bottled soft drinks from Denmark, Taiwan, Canada, the United States, England and Puerto Rico.

He has suggested in his letter that local bottlers and canners be allowed to produce these drinks which would not only boost employment but ease the flow of U.S. dollars, the currency used in importation, from the Treasury.

"We have all the material available locally to manufacture these imported drinks — the cans, sugar, water, CO2 gas, the extracts — yet these imports are on the market, even foreign crown corks," said Mr. Baiz.

"Why can't the local agents of these imported goods contact any local bottler and have us can or bottle on their behalf?" he asked. "Imagine we are lighting a dollar bill to look for a five-cent piece," he quipped.

Mr. Baiz is calling on the Government to appoint a committee to investigate these latest developments in the relatively new canning industry.

CANNED TUNA BANNED; SHRIMPING OFF BRAZIL SUCCESSFUL

Port-of-Spain SUNDAY GUARDIAN in English 24 Oct 82 p 1

[Article by Kit Roxburgh]

[Text] IMPORTS of canned tuna fish will be banned completely and it is expected that attempts to bring in the fish in any other packaged form will be thwarted also.

Government's Negative List Committee, after a meeting on October 11, made the recommendation, which is considered certain for approval.

National Fisheries, which buys tuna and has it canned in Puerto Rico for local consumption, successfully made out a case to the committee that tuna from all over the world was being dumped here, to the detriment of the state-owned company which is fighting to recover the millions invested in it over the years.

On the shrimping scene, meanwhile, 110,000 pounds have been caught since a National Fisheries Company (NFC) fleet began operations in Brazilian waters, off the mouth of the Amazon.

Mr. Shazam Ali, Deputy Chief Executive of the company, said that the catch was worth a gross \$1.25 million. Only last week, 60,000 pounds arrived for the local market. Before this, a large percentage of the catch had been shipped directly from the base of operations, in Belem, Brazil, to Japan.

The amount of shrimp caught so far is below the company's projections. When the fleet set out in May last, it was expected that at peak periods, around \$1 million of shrimp would be hauled in every month by the 10 trawlers.

Mr. Ali explained that there were difficulties in Belem. Before the boats were allowed to operate in the Brazilian waters, that country conducted a rigorous examination of each craft. Sometimes this meant a four-to-six-weeks stay on drydocks.

Then, unused to the contours of the ocean off Brazil where they were allowed to shrimp under a treaty signed some six weeks before they set out on the expedition, valuable gear was lost, engines broke down and more time was spent for repairs and replacements.

Three of the 20 NFC men who man the trawlers--along with 30 Brazilians--had to be recalled by the company. One of them on the grounds that he drank too much.

"The relations aboard the trawlers are excellent," said Mr. Ali, refuting fears that language differences and personal problems seriously affected the fleet's operations.

He stressed that the company hopes to have 15 trawlers operating off the Amazon early next year. This is to be in time for the peak of the shrimping season, March and April.

Markets

Six weeks ago a "mother ship" was chartered to ferry shrimp from the Belem base to local or foreign markets.

National Fisheries is also considering buying new trawlers, depending on the success of the Brazilian operations.

Evaluation of the venture is being done on a continuous basis.

If, by the middle of next year (about 12 months after the exercise begun) the fleet does not justify further expenditure, it will be phased out.

On the other hand, new trawlers will be bought and sent down to Belem if indications are that success is in the air. Cost of the new trawlers?

"A new 75-foot, steel, fully equipped trawler costs about \$1 million," Mr. Ali said. "And you have to place your orders, with your specifications, six months before delivery.

"Already we have an idea about which trawlers may need replacing. This week, for instance, there are seven boats operating out of the 10 in Brazil. We are getting five more out of our fleet of just over 20 ready for the trip. But remember that our boats are mainly over the five-year limit after which they are difficult to maintain."

Mr. Ali praised the efforts of Trinidad and Tobago's Ambassador to Brazil, Dr. Harry Major, in ironing out difficulties involving, in particular, fuel from Trinidad being used on the expenditure.

CSO: 3298/094

BRIEFS

VILARO ON UPCOMING ELECTIONS--The armed aggression of imperialism against Nicaragua is real and imminent menace that demands our strongest condemnation. This was said to Radio Havana by Ricardo Vilaro, leader abroad of the National Convention of Workers of Uruguay. Vilaro, who participated in the Special General Council of the Latin American Workers Permanent Congress for Trade Union Unity, CPUTAL, recently held in Managua, said the guarantee of the Sandinist revolution lies in the arms that today are in the hands of tens of thousands of men and women of the people. Nicaragua, Vilaro noted, is an example to all peoples of the continent; therefore, it is our duty to defend it at all costs. In another part of his statement, Vilaro said that in the 28 November elections in his country the workers will vote against the dictatorship and in favor of restoring democratic freedoms. Our workers, he added, who have suffered the fascists' persecution for 10 years, will again show their fighting spirit and determination to make of Uruguay a truly free and happy nation. [Text] [PA222329 Havana International Service in Spanish 1600 GMT 22 Nov 82]

CSO: 3348/95

PROPOSED 1983 BUDGET SUBMITTED TO CONGRESS

Caracas EL UNIVERSAL in Spanish 8 Oct 82 p 1-12

[Speech given by Acting Finance Minister Hermann Luis Soriano to the Chamber of Deputies upon submitting the 1983 budget; date not given]

[Text] The world economy in the past 3 years has faced the most prolonged recession since the thirties, characterized by an accelerated rise in unemployment, the contraction of world trade, the virtual paralyzation of economic growth, and the notorious instability of the exchange, monetary and stock markets.

The debt of developing nations, now around \$600 billion, has become a crucial problem whose proper solution will determine to a great extent the future stability of the international economic system.

Venezuela has not been immune to the consequences of this worldwide situation. As an oil producing country that engages in a great deal of external trade, it is directly affected by momentary and long-term changes that take place in the economy of the rest of the world. Fiscal revenues derived from petroleum have been on the decline, which has necessitated a series of economizing measures and efforts to compensate the loss by using other sources of internal revenue. Moreover, some difficulties have been encountered in the external refinancing of short-term debts; these problems are already being dealt with, but they have led to some imbalances in the timetable of financial transactions abroad.

No one knows for certain when the expected turnaround in the world economy will take place, or how intensive the subsequent expansive wave will be. This means that oil production, on which the Treasury depends significantly for its regular income, should be handled prudently when it comes to making future projections. The market for Venezuelan oil has shown a gradual but steady recovery during the second half of this year, so despite the contraction of the second quarter, it is estimated that average oil exports for 1982 will be close to 1.5 million barrels per day. This figure is higher than that predicted in the budgetary revision of last April. The estimates for next year are equally conservative, although in this regard it should be noted that the government is taking a flexible approach so that it can make any necessary readjustments.

In the area of domestic prices, there has been an undeniable success in bringing down inflation, despite the elimination of nearly all subsidies and the reduction of excessive and rigid price controls, without any supply problems. An essential objective of the National Executive's Economic policy is to consolidate the progress achieved so far and to keep prices at a level that will discourage behaviors that might stimulate inflation, by producers, middlemen or consumers. The fundamental tools that will be used in attaining this goal are the coordination of fiscal and monetary policy, austerity in spending, fiscal discipline, and the pricing mechanism. While reiterating our conviction that competition is the key instrument for setting prices, I should also point out that the pricing mechanism will be utilized rigorously and constantly to intervene, regulate or control whenever there are abuses, supply deficiencies or imperfect functioning of the market.

The objective of protecting the country's balance of payments and reserves position is a fundamental task for the National Executive. Thus, in addition to the initiatives to stimulate non-traditional exports, defend oil prices and markets, rationalize the tariff system and enforce the "Buy Venezuelan" Decree, to name only the most important actions, recently measures have been taken to reappraise the gold in the possession of the Central Bank of Venezuela, and the centralization of the possession and administration of the foreign reserves belonging to Venezuelan Petroleum, Inc. (PDVSA) and other public entities, within the Central Bank of Venezuela. The latter measures are designed to show the true quantity of the nation's reserves, to make possible an integral policy of foreign investment, to improve our bargaining power on international financial markets, and to enhance the solidity of our currency.

Furthermore, the renegotiation of the short-term debt, which Finance Minister Luis Ugueto is carrying out very successfully with international banks, will enable us to improve the payment conditions of these obligations, and therefore will help relieve the pressures on the balance of payments.

Public Investment Policy

With regard specifically to the public sector, the national government intends to intensify its control and orientation of public spending, on the basis of three essential principles: austerity, discipline and efficiency.

The criterion of austerity in spending must govern all decisions made by the administrators of public agencies. All expenditures not strictly necessary to fulfill the obligations of each organization will be eliminated, especially those outlays that are not in step with the times in this country. Spending for representation, advertising, public relations, travel and the purchase of durable goods will be severely curtailed. Spending for remodeling, new equipment and similar items will be eliminated if it is not immediately and directly related to the performance of essential public services.

A great deal can and should be done with the resources at the country's disposal in 1983. For this purpose, it is necessary to increase efficiency

across the board in the public sector. The spending envisioned in the draft budget being submitted to this honorable Chamber for its consideration will be carried out with a view to serving the public above all else. Efforts will concentrate particularly on putting in service the projects that will provide immediate benefits to the citizenry. Cutting red tape and streamlining administrative procedures, eliminating the "bridges" that waste thousands of manhours, combatting unjustified and demagogic vacations and leaves, and eliminating improvised and makeshift methods in the repair and maintenance of government goods and equipment, all are top-priority areas for the administrative teams of the public sector. In short, the National Executive is determined to increase the productivity of the public sector, and we exhort the private business sector to make a diligent effort to overcome absenteeism and improve productivity in its area as well. No one can or should think that rebuilding the country will be a picnic.

Rates and Prices

The public sector, in keeping with the principles mentioned above, will have to make better use of available resources, without affecting the level of prices in general, and the population's cost of living in particular. For this reason, in 1983 the rates paid for public services will not be raised, nor will the prices of the services provided by state institutions. In this way, the government will clearly help dampen domestic inflationary pressures.

Collective Bargaining

The labor policy applicable to civil servants should be approached within the general perspective of the country, and especially considering the plight of public finances. The aspirations expressed by various labor organizations with regard to the renewal of collective bargaining agreements with state organizations and enterprises, without denying the fundamental distributive justice they may contain, will have to be limited to the physical possibilities of the present time. Thus, the entities that make up the decentralized administration will not be able to grant salary increases or to increase benefits beyond their financial capacity.

Public Sector Imports

Within the policy of rationalizing public spending, special emphasis will be given to the reduction of imports by the government. The "Buy Venezuelan" Decree will be rigorously enforced for this purpose, and any foreign purchases that are not strictly necessary to increase or improve the production of goods and services and to guarantee regular supplies of essential goods, will be eliminated. In this manner, the country's balance of payments situation will be improved, and demand will be channeled toward the domestic productive apparatus, contributing to its strengthening and expansion.

The efforts of state agencies will focus on shortening the usually excessive periods it takes to complete projects, and to this end available resources will be pooled. This necessarily means that some projects will have to be postponed until those already underway are finished.

Only in cases where additional resources above what is required to finalize investments in process are available, will new projects be allowed to begin. In particular, the only projects that will be initiated are those which already have the financing set forth in the Program Laws, plus those undertaken by the oil industry in accordance with its investment plans, and the projects financed by the Venezuelan Investment Fund.

In this regard, the policy of paring down the government bureaucracy will continue, as will the gradual elimination of general and indiscriminate subsidies. Similarly, all decentralized agencies must focus their efforts on rectifying their financial position, within the aforementioned guidelines, improving the institutional mechanisms for coordinating their activities and giving priority to programs that fit within their true operative capacity.

Role of Other Government Financial Institutions

The government financial institutions will concentrate their activities on the promotion of development in priority areas. These areas are defined for each sector in the Sixth National Plan; massive and indiscriminate financing is to be avoided. In particular, financial support will be channeled toward agroindustry and the production of capital goods, as well as programs to expand basic industries in terms of secondary processing. Procedures for granting working capital credit will be streamlined, especially for small and medium industry.

Public financial agencies' actions in the agriculture sector will be aimed at providing financial support for production in basic sectors, on the basis of their importance to national supplies, the exportability of their products, or their impact on the peasant and small farm economy.

In order to improve their situation, public financial institutions must follow a strict policy of credit recovery and must give preference in granting loans to solvent businessmen and producers who meet the priority guidelines outlined above.

Venezuelan Investment Fund Program

As it has this year, in 1983 the Venezuelan Investment Fund will pursue an overtly expansive investment policy as a result of the capital infusions it has received and the loans it has projected, in order to ensure the continuation of its major investment programs in the basic sectors, and to begin new projects in areas that will contribute to a greater and more efficient integration of the country's basic industries.

Outlays for 1983 have been estimated at about 8.5 billion bolivars; they will be oriented basically toward the financing of the electrical, aluminum, iron and steel, mining, and international transportation sectors. More than half of the projected investments are included in the so-called national electrical financing plan, whose projects and programs are being carried out by the Caroni River Electrification Project (EDELCA), Electrical Administration and Development Corporation (CADAPE), ENELVEN and ENELBAR, to guarantee the timely supply of electrical energy to the entire national territory over the coming years.

Financial support will continue for projects aimed at developing bauxite deposits in the Pijiguaos, and the construction of the Paraguana shipyard. Construction will begin on the seamless pipe plant, and four new general cargo units will be purchased, along with two mineral units for the Venezuelan Navigation Company.

Early next year the interalumina plant will begin operations. Its total cost is 5.6 billion bolivars, and it has a production capacity of 1 million metric tons of alumina. In addition, by the end of 1983 the first phase of the final stage of the Raul Leoni Dam in Guri will be completed, which will increase the generating capacity by 6,300 megawatts.

An industrial credit program will also be financed for 250 million bolivars through the Industrial Credit Fund, as will an agricultural program through the Agricultural Credit Fund, at an estimated cost of about 500 million bolivars for 1983 alone.

In terms of revenues, the oil income projections have been based on market prices and on a volume of crude and refined products exports slightly lower than that projected for the last quarter of this year. These hypotheses are based on the positive results of the decisions made by OPEC, which have reduced the influence of the spot market and have stabilized international prices.

Income from domestic productive activities is estimated on the basis of reasonable expectations for overall economic performance in 1983, and for the effects of the administrative and fiscal measures adopted by the National Government this year.

For fiscal year 1983, the spending budget has been set by the National Government at 77.811 billion bolivars, a decline of 3.948 billion from the total financed by regular resources in the 1982 budget.

From the standpoint of regular income, the 1983 budget represents a reduction of 339 million bolivars with respect to 1982, with a projected 78.15 billion bolivars.

The estimate of fiscal oil revenues for 1983 is 47.866 billion bolivars, of which 40.576 billion corresponds to the Income Tax and 7.29 billion corresponds to hydrocarbons income.

This estimate is based on the following assumptions:

--A crude oil production volume of 739.1 million barrels per year, equivalent to a daily average of 2.025 million barrels. In addition, 44,000 barrels per day of liquid gas products is assumed, bringing the total daily average to 2.069 million barrels.

--A volume of crude oil and refined and liquid gas products exports totaling 584 million barrels per year, equivalent to a daily average of 1.6 million barrels.

--An average sales price of \$27.42 per barrel, whose calculation corresponds to the average price recorded during the latter half of this year, and is determined by the projected composition of exports.

--A volume of local sales estimated at 155.1 million barrels per year.

--Operational costs and expenses estimated at 17.91 billion bolivars.

--The export value, determined according to the provisions of Article 169 of the Income Tax Law, equivalent to \$34.27 per barrel.

It is estimated that the petroleum industry will receive 6.934 billion bolivars in profits and legal contributions, without taking into account the revenues that will come from compensation the National Executive will pay the industry for interest not received. In that regard, it is very important to note that in 1983, as a result of the 5 percent decline in the difference between export values and market prices, caused by the modification of the Income Tax Law, the petroleum industry will receive additional revenues amounting to more than 2 billion bolivars, which would have gone to the Treasury if the current arrangement were maintained.

The Venezuelan Investment Fund will receive 2.393 billion bolivars, in accordance with Article 3 of the statutes that govern that organization.

Fiscal oil revenues comprise 61.5 percent of total regular revenues, which represents a decline in relation to the 1981 portion of 76.5 percent. This means that there is less fiscal dependence on this extractive activity.

Regular fiscal income stemming from domestic activities has been estimated at 29.945 billion bolivars, 1.244 billion higher than the revised 1982 estimate. Its calculation took into consideration the possible changes in the principal macroeconomic variables, especially those related to production and the consumption which affects the tax system.

These internal revenue estimates do not involve any tax modifications except for those already approved by the National Congress; but they do assume greater efficiency in the operation and collection of some internal income, as well as other measures designed to bring the tax system into line with the country's new situation.

It is estimated that in 1983 the Income Tax affecting domestic activities will bring in 10.98 billion bolivars in revenues, a jump of 1.153 billion over the revised 1982 estimate.

Customs income in 1983 will total 7.379 billion bolivars, 1.058 billion higher than the 1982 revised estimate. This is particularly illustrative of the gradual elimination of tax exemptions for imports purchased by public sector enterprises, a policy adopted by the National Government this year.

Taxes on petroleum byproducts should bring in 1.988 billion bolivars, of which 1.944 billion corresponds to gasoline consumption.

Expenditures

In 1983 another reduction in fiscal spending will take place. A comparison of the total amount of budgetary spending with regular revenues this fiscal year reveals a reduction of 3.948 billion bolivars, in addition to the 8.232 billion resulting from the cut implemented in April. If to that we add the cut already contained in the original budget, lowering spending between the 1981 and 1982 budgets by 4.65 billion bolivars, this means that in 2 short years public spending will have been reduced by 16.83 billion bolivars.

As for current spending, a steady austerity policy is being applied. Decree 1,161 ordered a 10 percent cut in personnel spending; Decree 1,640 eliminated several unnecessary expenditures, while others were restricted. The upshot has been a rationalization of this kind of spending.

The Draft Budget being submitted to the Congress of the Republic today calls for total spending of 77.811 billion bolivars, of which 44.599 billion corresponds to current spending, equivalent to 57.3 percent of the total; 15.103 billion will be earmarked for investment spending, constituting 19.4 percent of the total; and the remaining 18.109 billion bolivars will be used to service the public debt.

The servicing of the public debt deserves special consideration if we take into account that until 1979 it ranged from 8 to 12 percent of the budget. Since 1979, however, the National Government has had to deal with some major debts of previous administrations, and a floating debt incurred by the central government and some autonomous institutions that began to be regulated by the present administration. Moreover, the existing debt fell due, and interest rates on the international financial markets soared. The result was a major escalation in the proportion of the budget allocated for the servicing of the debt.

The total service of the public debt for 1983 is estimated at 18.109 billion bolivars, of which 7.993 billion corresponds to the principal and 10.116 billion to interest. The servicing of the foreign debt will cost an estimated 14.307 billion bolivars; the domestic debt, 3.802 billion.

This figure of 18.109 billion represents 23.3 percent of the 1983 spending budget, and means an increase of 840 million bolivars over the 1982 budget. The increase is basically due to the fact that amortizations and redemptions are planned, totaling 1.113 billion bolivars more than what was paid out in 1982, because the interest to be paid will be 196 billion bolivars less than in 1982.

Honorable deputies: Despite the difficulties arising from the stagnation and instability of the world economy, Venezuela is in a favorable position as a result, in large measure, of the timely readjustments made by the current administration. Between 1979 and 1981, Venezuelan Petroleum, Inc. (PDVSA) and the Venezuelan Investment Fund accumulated financial resources that today are enabling us to continue the investment process in priority areas.

We have adopted measures that undeniably require austerity and fiscal discipline, and our international reserves are at about the same level as our foreign obligations; this contributes to the stability and solidity of our currency. We have readjusted and revamped our investment projects to conform to the realities of the market and to the availability of resources to carry them out smoothly. We have paid special attention to the social aspects of fiscal spending, in terms of education, culture, health and sports.

We have gotten rid of the illusions in economic planning.

Thanks to the valuable cooperation we have received from Congress, we have managed to discipline and orient the public sector debt, keeping it within the confines of our indebtedness capacity, despite the growing need for resources from the external market to ensure the financing of projects already underway that did not have guaranteed financing.

We have integrated the petroleum industry into the geographic and social environment in which it functions, and we have given fundamental priority to regional development while promoting science and technology.

We have been successful in our struggle against the worst scourge of the contemporary world: inflation.

We acknowledge that there are difficulties, but we are optimistic about the future. The defense of our economy's health is not the exclusive responsibility of the government; it is a task we must all share equally, and with the cooperation of all we will be successful.

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EXPERTS CRITICIZE TRANSFER OF PDVSA FUNDS

Caracas EL NACIONAL in Spanish 13 Oct 82 p D-6

[Article by Agustin Beroes]

[Text] Contrary to what Minister of Energy and Mines Humberto Calderon Berti said, to the effect that funds belonging to Venezuelan Petroleum, Inc. (PDVSA) could be used without any danger of depletion, various oil experts and specialists have expressed the opinion that the real possibility of "liquidating" those funds is just around the corner, especially considering that they could be spent on unproductive items, that the PDVSA could lose its own investment capacity by 1984, and that the country is facing a serious cash-flow problem.

In fact, noted economist and university professor Hector Malave Mata; oil expert Alvaro Silva Calderon, who wrote the Reversion Act; and former Vice-Minister of Finance Ivan Pulido Mora, all agree for various reasons that the statements by the minister of energy and mines regarding the future of PDVSA funds are cause for concern.

Specifically, Calderon Berti stated that the PDVSA Reserve Fund "was not just a piggy bank to throw coins into," so it could continue to be used without any danger of being completely exhausted. The recovery of the petroleum market, he claimed, whether through sales or through prices, would enable us to build up our reserves once again.

In his speech the minister also recalled that the Fund was created during an "oil bonanza," when it was possible to put away money to be used "during times of crisis." He noted that in 1978 the fund had 12 billion bolivars, and by the end of 1981 that figure had risen to 30 billion. He concluded his remarks by saying that under the present circumstances, considering the international situation, the moment has come to use the Fund. He cautioned that this did not mean that the Fund would be depleted.

Fund Not Anticyclical

Economist Hector Malave Mata indicated that "when it is asserted that the PDVSA Reserve Fund is not just a piggy bank to throw coins into, but that it was created during times of prosperity in this country to be used during a

crisis, it should be pointed out, on the contrary, that the resources of that Fund are not anticyclical in and of themselves. By definition, they are reserves to be used to finance the development activities of the nationalized oil industry, when such activities require it as a function of the expansion needs, determined by the prospects of the international petroleum market."

"It is not impossible," said Malave Mata, "for the reserves of the PDVSA Fund to be exhausted; on the contrary, the diversion of these funds for purposes that are not strictly productive may constitute misappropriation. That is what the public is concerned about in the discussion of this problem."

He added that the conversion of the PDVSA financial reserves into monetary reserves of the Central Bank of Venezuela "may not be economically convenient for the country, because the reserves of the main oil company are capitalizable, in the sense that they yield interest when invested in the international financial market, while the monetary reserves of the central bank can be considered sterile, because they cannot be mobilized in the same way the others can."

The important thing in this case, he stated, is the financial yield these funds could obtain through investment, and the profits they could provide.

Cash-flow Crisis

Alvaro Silva Calderon emphasized that "the government has set its sites on the PDVSA reserves to meet the country's generally shared objective of making the oil industry self-financing."

"The controversy now is whether the government should use these funds, which have attained a considerable quantity and have been invested abroad, to meet its fiscal needs. We think the national government should clarify the situation and honestly tell the nation how serious the present emergency is, to justify either a change in the policy that had been sold to the nation, or the use of these funds in view of the gravity of the emergency."

Silva Calderon explained that it is not appropriate to continue arguing about the collateral aspects of the central issue, which is that the national government is spending more than it takes in.

"This has led us into a heavy debt; and now that it is time to pay the debt, it cuts further into our national revenues and puts us in a financial bind. The domestic productive sector is not in a position to contribute to paying that debt, and the oil industry, still being an external sector, is suffering from the contraction familiar to all, and cannot therefore provide the substantial revenues it used to produce as a result of the price increases subsequent to 1974. Thus, the national debate should focus on the amount of outlays the national budget should include, in accordance with the real prospects the country has at this time for earning revenues. Prudence should be the criterion."

PDVSA to Lose Investment Capacity by 1984

Economist Ivan Pulido Mora explained that "the PDVSA Reserve Fund, now counted in bolivars, will total 21.7 billion bolivars by the end of 1982."

"Official figures indicate that the PDVSA will earn 6.934 billion bolivars in profits next year. That figure, compared to repetitive investments of 15 billion bolivars, means that the Fund will have 13.634 billion bolivars by the end of 1983; by the end of 1984, if these circumstances continue, the Fund will be close to zero. And this estimate is based on the optimistic view expressed in official figures for the 1983 draft budget."

He added that if the situation is less favorable, "as we are convinced it will be, the famous piggy bank will have to be broken open before that time."

"But are we going to continue pampering and spoiling the apple of Venezuela's eye," he asked, "without the political nation represented by the National Congress taking a stand once and for all, and deciding what the erratic oil industry investment plan is really to be, and what the government's proper share of the oil business will be? The PDVSA is allowed to invest its profits for one purpose only: to maintain the yield that is increasingly threatened, because it is an industry in an obvious state of decline."

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AD APPROVAL OF 1983 BUDGET SUBJECT TO MODIFICATIONS

Caracas EL NACIONAL in Spanish 14 Oct 82 p D-22

[Text] AD [Democratic Action] will not vote to pass the 1983 budget unless the administration accepts adjustments and modifications, the head of the Social Democratic congressional group, Deputy Carlos Canache Mata, reported.

He indicated that his party's leadership has begun an exhaustive analysis of the budget bill and that the National Executive Committee (CEN) would decide in time what stand the party's representatives ought to take in congressional debate.

There are two alternatives in Canache Mata's opinion. One is the "miracle" of getting the COPEI [Social Christian Party] administration, where arrogance seems to have taken up permanent residence, to accept the adjustments and modifications that have been suggested to improve the bill, in which case the AD would vote to pass it.

"Otherwise," Canache Mata added, "we will take a position similar to last year's. In other words, we will let COPEI take responsibility for passing the budget. And I fear that this will most likely happen."

Tax Revenues

Canache Mata was asked about Finance Minister Hermann Luis Soriano's statement that the 1983 budget would be 15 percent less dependent on oil revenues than in 1981.

"Setting aside whatever conclusion emerges from the thorough study of the budget bill, I would comment that it is obviously basic common sense that if there is a sizable drop in oil revenues, the budget will be less dependent on them as a source."

In the judgment of the AD congressman, it would be odd if the opposite were the case. The ideal thing would have been if the lesser dependence on oil had come about because of a rise in domestic income.

Overestimation

"Of course we also get the impression," Canache Mata remarked, "that internal government revenues have been overestimated at 30 billion bolivars, because everyone knows that our economy has been stagnant for 4 years in a row, with zero gross domestic product growth."

"If the country's production activities are at a standstill, then obviously tax receipts will be lower and internal government revenues will be down."

He reaffirmed that in addition to these alarming developments, the country's indebtedness has expanded like an enormous oil slick, so much so that one quarter of the national budget goes toward servicing our foreign debt.

PDVSA [Venezuelan Petroleum] Funds

Canache Mata reaffirmed that top-level administration spokesmen were not telling the truth when they claimed that the PDVSA funds transferred to the Central Bank would not be touched.

"Well now, both the minister of finance and the minister of energy and mines have said in recent days that 'these funds could be earmarked for other areas of the government and that these reserves, which have been accumulating since the bonanza days, could and should be used at times when government finances were tight.'"

He asserted that this entails the danger that at a given moment the Venezuelan Central Bank might not have enough foreign exchange to cover PDVSA's investment and field programs. This would necessitate foreign borrowing, which would automatically entail a loss of sovereignty. "This would mark the beginning of oil industry denationalization."

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OPPOSITION PARTIES QUESTION PROPOSED 1983 BUDGET

Caracas EL NACIONAL in Spanish 14 Oct 82 p D-20

[Article by Elena Block]

[Text] During the questioning of acting Finance Minister Hermann Luis Soriano by the House Finance Committee, one word was heard all too often: optimism.

As far as opposition spokesmen are concerned, the 1983 budget figures, especially for revenues, are not only unrealistic but belong to the realm of "science fiction."

Inasmuch as there is no hope for an economic recovery and since the 1983 budget bill will have an impact on the 1984 budget, Democratic Action (AD) is proposing a broad national pact. Luis Matos Azocar, the head of the AD members of the Finance Committee, explained that the "pact" would be based on the following points: 1) that the administration acknowledge that next year's budget is an interim one and that it agree to its redrafting in Congress; 2) that President Herrera's administration agree to the formulation of a "contingency budget" to deal with any crisis that might arise in 1983. On these conditions the Social Democrats would agree to begin debate on the budget.

AD does not yet know whether it will abstain on a budget vote, but it will probably not. Debate would begin, and then depending on the administration's stand, the party would decide whether or not to back it. MAS [Movement for Socialism], MEP [People's Electoral Movement] and New Alternative will take part in the debate but will surely abstain in congressional voting.

Luis Matos Azocar (AD)

"This is another science fiction budget, which the Executive Branch now has us used to. The budget period is at a close, and they've spent 80,000 [sic] bolivars more than former President Carlos Andres Perez's administration did, and yet we see no signs of economic recovery or government spending discipline, as the finance minister promised," Luis Matos Azocar said.

Will you abstain or refuse to support the budget?

"No, in no way. Since this is the last budget that is going to have an impact on our next term of office, which we now consider a sure thing, we have to study our position very thoroughly...Moreover, the strategy that we pursued last year showed clearly that this administration is incapable of drafting a budget. Perhaps Congress will have to replace it and draft a contingency budget to cope with any eventuality or crisis in 1983."

He explained that this is an approach that businesses and industrialized countries take when they are in crisis, high-uncertainty situations, to prevent funds from being earmarked in a haphazard way at the last minute.

"We are going to review the budget thoroughly, because it is unrealistic and could have an impact on 1984 and because it would seem, since the administration allocates investment spending, that there is not going to be any economic recovery in 1983. Furthermore, the revenue estimates are unrealistic, too optimistic..."

German Lairer (MAS)

The head of the MAS congressional group, German Lairer, feels that the budget debate ought to be placed in the context of both the international and the domestic economic situation. He says that Venezuela is headed towards its fourth straight year of economic recession, whereas the budget bill claims that a recovery is on the way.

"Moreover, we have to bear in mind the state of the world oil market, which will seemingly remain the same in 1983. This makes the administration's government revenue estimates look very optimistic," he said.

He went on to say that for this reason he has no confidence in the figures of the proposed budget submitted by Hermann Luis Soriano. He mentioned the case of the Sixth National Plan, which "has not hit on" any of its oil production or other predictions.

"There must be a political agreement," he stated in conclusion, "to make spending more productive and to get the economy moving again."

Although Lairer did not say so, the MAS will take part in debate on the budget but will not support it. Its lawmakers will probably abstain.

Siuberto Martinez (MEP)

"We are getting information now from the minister. We kept challenging a number of things, like the revenue estimates, which seem optimistic to us, but a rectification here would seem unlikely. In any event, we are going to work in the subcommittees, especially the ones concerned

with oil revenues, regional development and the constitutional subsidy," explained Siuberto Martinez, the head of the MEP congressional group.

He went on to say that he thinks his party will have a definite position on the issue in 15 days. "It is my understanding that our stand will not be much different from previous years, because the 1983 budget is not that much different from those of previous years...We have been critical of the budget, and although we will surely take part in the debate, we will ultimately reserve our vote."

Romulo Henriquez (New Alternative)

"One of the things that we are going to propose is a thoroughgoing examination of the revenue items. What especially caught our attention was the estimate of 1.6 million barrels a day of oil exports as the major source of revenue, which we thought was overly optimistic. The remarks in the preamble to the budget bill are overly optimistic. The administration is denying here that sales today are related to seasonal phenomena. Moreover, it is not absurd to think about the possibility of the conflict between Iran and Iraq ending, which would free up a potential output of nine million barrels a day. Furthermore, we have to think about Mexico, which wants to sell as many barrels as it can," said New Alternative's Romulo Henriquez.

He regards as "exaggerated" the notion that a 2.5 percent upturn in the economies of the developed countries will prompt a 10 percent rise in the demand for OPEC oil.

Romulo Henriquez then raised the issue of cuts in social spending, "which will inevitably worsen the public services that the Venezuelan Government provides."

He recalled that a "very small" allocation of 230 million is available for collective bargaining, which he feels is inadequate because he proposes an increase of .80 a day for each worker.

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COPEI TO STUDY OBJECTIONS TO NATIONAL WEALTH PROTECTION LAW

Caracas EL NACIONAL in Spanish 13 Oct 82 p D-16

[Text] Study begins today on President Herrera's objections to the National Wealth Protection Law. The COPEI [Social Christian Party] congressional group held a meeting yesterday to work out the party's strategy on the issue. Among other things, they decided to oppose two of the president's objections: 1) the unconstitutionality of the law's special jurisdiction, and 2) excluding the directors of state-run enterprises from the purview of the law.

The Social Christians feel that these two points should not be amended.

The meeting was attended by the COPEI representatives on the Joint Congressional Committee that will analyze the president's document. They are Pedro Pablo Aguilar and Gustavo Tarre (Allan Brewer Carias was absent). Also present were two representatives of the administration, the legal adviser to Miraflores and the director of the Justice Ministry, Luis Felipe Rosas Bravo. Also in attendance was the minister for congressional relations, Leonor Mirabal.

Some points in the president's document will be accepted, however, for example the section on indictments [tipificacion de delitos] and, in general, the technical modifications.

The COPEI lawmakers are reportedly going to propose additions to the law to improve it, such as a clearer determination of who is subject to it and of what constitutes national wealth.

It was learned in AD [Democratic Action] sources, moreover, that the party agrees with COPEI on opposing the president's objections with regard to special jurisdiction and the exclusion of the directors of state-run enterprises.

The Joint Congressional Committee, which is chaired by Simon Antoni Pavan, will meet tomorrow at 3:30 in the afternoon.

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BRIEFS

HIRING FREEZE ANNOUNCED--President Luis Herrera Campins held an administrative working session with Dr Alberto Arape, director of the Central Personnel Office (OCP). "We went over all the aspects of the personnel situation with an eye to the implementation in January of the new national budget," said Dr Arape upon leaving his meeting with the chief of state. He stated that this is the time of year for considering and making administrative and personnel adjustments. "Naturally, the guidelines and basic orientations in the area of personnel are dictated by the president of the republic, and in turn, my office imparts them to the various ministries and autonomous institutes that are governed by the Civil Service Law." The most important measures to be taken by the OCP include a hiring freeze for next year. "We have close to 200,000 permanent positions in the central administration, and we want to maintain the same structure, first of all. Secondly," Arape went on, "we want the personnel spending reductions to be done basically in terms of vacant positions. That is, there is no plan for massive lay-offs. These vacant posts have not been classified yet, because we must wait until the end of the last quarter to determine the dynamics and trends of the situation." Another positive measure is that all people who, due to advanced age or illness or seniority, are no longer serving the agencies and are a burden on the payroll, are being retired now. The Central Personnel Office is maintaining absolute control. "We estimate that there are some 5,000 people in that category," said Arape. "And once a person is retired, if the position he held is not absolutely necessary for the functioning of that organization, the position will be frozen because it is a vacant post." [Text] [Caracas EL NACIONAL in Spanish 12 Oct 82 p D-8] 8926

PURCHASE OF IMPORT GOODS CRITICIZED--"Christmas should not be a stimulus for increasing imports on the pretext of the tired old theme of the inefficiency of national industry and agriculture," the board of directors of the Pro Venezuela Association said in a statement released yesterday. It indicated that "the government should intervene decisively to consolidate our productive apparatus. There is no alternative but to reach a legitimate agreement between government and business in order to combat the scourge of importation through national production." According to Pro Venezuela, "importation as a general solution to the problem of supplies has led to disastrous consequences for the country's development. The Buy Venezuelan Decree should be fully enforced, and the escalation of prices resulting from the lack of rational marketing procedures should be actively discouraged, in terms of both

national goods and imports. Within that regulatory action, the government should effectively control weights and measures, contents, and the adulteration of products that have a direct impact on the public diet." Finally, the organization stated that at the level of the Andean Pact "there should be an immediate effort to control the situation, because smuggling is replacing the integration phase to a great extent. Unscrupulous elements have gone to the extreme of dangerously adulterating certificates of origin, thumbing their noses at the authorities of the various nations. The upshot is an international trade that pseudobusinessmen are using as a front to challenge our laws and disrupt the Venezuelan economic process." [Text] [Caracas EL NACIONAL in Spanish 14 Oct 82 p D-10] 8926

FOREIGN CREDITS--Between January and August, more than 25 billion bolivars in foreign credit entered the country, in the public sector as well as the private one. Superintendent of Foreign Investment Alfredo Gonzalez Amare reported that 56 percent of these loans go to the private sector, while 44 percent go to state enterprises. In a discriminatory manner, the area that has received the most foreign support is the manufacturing industry, with 8.734 billion bolivars; followed by construction with 4.924 billion; commerce with 2.124 billion; services with 1.653 billion; electricity with 3.392 billion; and a total of 4.306 billion for sectors such as agriculture, mining, and transportation and communications. Gonzalez Amare indicated that foreign investment has grown by 18.3 percent over last year's figure, with more than 4.421 billion bolivars [as published] being invested in the country. [Text] [Caracas EL NACIONAL in Spanish 12 Oct 82 p A-1] 8926

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